

**2013 ANNUAL REPORT & PLAN
To The
CALIFORNIA PUBLIC UTILITIES
COMMISSION**

**GENERAL ORDER 156
March 1, 2014**



**PROCUREMENT ACTIVITIES WITH
DIVERSE SUPPLIERS**

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

**WMDVBE ANNUAL REPORT AND PLAN
2013 CALENDAR YEAR
SPRINT CORPORATION**

SUBMITTED PURSUANT TO PU CODE § 583 AND GO 66-C

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ANNUAL DIVERSITY REPORT

INTRODUCTION

This filing, in compliance with the requirements of California Public Utilities Commission (CPUC) General Order 156 (GO 156), includes a Plan of the Supplier Diversity Program of Sprint Corporation (Sprint) for the State of California. The Plan describes the program activities undertaken and the results achieved by Sprint, specific to the Sprint/California certified minority, women and service disabled veteran supplier's relationship, for the period of January 1, 2013 through December 31, 2013.

- Sprint remains an active member of the California Utilities Diversity Council (CUDC). The CUDC is a California Public Utility Commission (CPUC) advisory body focused on issues related to diversity and Utility regulation. The CUDC was created with the endorsement of CPUC President Michael R. Peevey and Commissioner Carl Wood. One of the CUDC's major goals is to provide leadership and be a visible and active organization working with and advising the CPUC and the regulated utilities, and other entities such as the Governor's Office, the State Legislature, the National Association of Regulatory Utility Commissions, the White House, and Congress on diversity issues related to public utilities. Sprint, as a member of CUDC, is aligned with insight to support Sprint's goals as a Utility company operating under GO 156.
- Sprint is committed to using our technology, human and financial resources to help make the world a better place. This commitment infuses our business and culture. At Sprint, our Corporate Social Responsibility platform is centered on doing the right thing. This means conducting our businesses in a socially and environmentally responsible manner in order to protect and improve our way of life. Part of doing the right thing is pursuing diversity in all its forms, including: ethnicity, gender, generational, geographical, ability and thought. That's why we are committed to the continued growth of our inclusion and diversity initiatives.
- Sprint Supplier Diversity efforts in the state of California are most improved and are ranked in the top 6 of 34 utilities meeting/exceeding goals pursuant to General Order 156 ruling. Sprint continued to improve efforts to meet and exceed the goal of 21.5%, and is demonstrated year over year as follows: In 2008, results were: 4.3%; in 2009: 13.94%; in 2010: 15.57%; in 2011: 27.76%; in 2012: 35.8%. And in 2013, Sprint reached 41.9%.

CORPORATE COMMITMENT

Our commitment to inclusion and diversity begins at the top. Sprint's Diversity Council is comprised of 18 senior leaders throughout the organization. The Diversity Council oversees our inclusion and diversity strategies and ensures that these initiatives are a priority. Our efforts as an inclusive company include work in the areas of employees, multicultural Marketing and Supplier Diversity.

Sprint Supplier Diversity Mission

The mission of Supplier Diversity at Sprint is to be an effective conduit for certified diverse suppliers, thus identifying, introducing, and promoting opportunities to compete for Sprint business, resulting in annual increased diverse spend.

The Sprint Supplier Diversity Commitment

Sprint is committed to the growth and success of our Supplier Diversity initiatives and continues to explore and increase opportunities with diverse suppliers in California. Sprint actively seeks additional opportunities to meet with suppliers and to increase external outreach activities. Sprint will continue to lead the effort in recognizing the economic importance of utilizing diverse and small businesses in the communities where we provide services, work and live. Associates at every level play a role in the success of Sprint's program as Sprint seeks small and diverse businesses to provide technology, products, materials, components, supplies and services.

Sprint Supplier Diversity Policy

The Sprint Supplier Diversity Policy affirms Sprint's commitment to provide certified diverse suppliers with the maximum opportunity to participate in providing products and services to Sprint. Sprint is focused on increasing its purchasing initiatives with CPUC certified diverse suppliers. These mutually beneficial relationships contribute to the economic success of both Sprint and our diverse suppliers.

SPRINT SUPPLIER DIVERSITY PROGRAM

Sprint continues to advance its supplier diversity initiatives through various efforts: internal and external goals, education, training, internal and external outreach, designated Business Unit Champions, modifying supply chain management policy; formal mentorship program, teaming with Sales for subcontracting opportunities, incentive reward programs, internal and external communications, diagnostic tools for focused sourcing and tracking, identifying and promoting existing and new CPUC diverse suppliers, sponsorships, host workshops, supplier development and coaching, monitor and publish score cards against objectives, maintain vendor databases, and other efforts described herein ensuring a robust CPUC initiative.

The program objectives are to:

- Encourage more suppliers to become CPUC certified
- Provide Sprint's cutting-edge technology to students in California and to enable them to succeed in an increasingly digital world (Project ConnectED)
- Increase the amount of corporate expenditures with California diverse suppliers
- Increase the quantity and quality of contracts with California diverse suppliers
- Continue to develop more relationships and host introductions of diverse suppliers to key Sprint executives
- Introduce diverse suppliers to Sprint's large suppliers for 2nd tier opportunities
- Encourage Sprint prime vendors to request CPUC certification from their diverse suppliers
- Manage CPUC reporting from Sprint prime vendors to support GO 156 goal
- Support Sprint prime vendors in identifying CPUC suppliers, for direct & indirect use
- Enforce contract terms requiring large suppliers to either provide a minimum of 5% annual contract value as subcontracting opportunity to diverse suppliers or donate a percentage (1% above \$650,000) of annual contract value toward a diverse nonprofit organization, or create a value added reseller (VAR) relationship with a diverse business
- Offer mentoring and relationship building to help diverse suppliers navigate the process to become a qualified supplier and to increase spend with existing supplier
- Provide training programs to educate employees about the advantages of Supplier Diversity
- Provide incentives, rewards, and recognition to employees that directly impact CPUC expenditure
- Expanding awareness of the program to all major Sprint Business Units
- Aggressively recruit diverse suppliers who have the skill sets that can provide the best solution at the right price point.

9.1.1 DESCRIPTION OF MWDVBE PROGRAM ACTIVITIES – INTERNAL AND EXTERNAL

Sprint is committed to promoting the overall participation of women, minority, and disabled veteran-owned business enterprises (WMDVBE) in purchases of materials and services. The Supplier Diversity team administers the internal and external program activities for Sprint. Described below are the internal and external program initiatives conducted in 2013 to increase the utilization of MWDVBEs.

1. INTERNAL PROGRAM ACTIVITIES

CAPACITY BUILDING:

Document Management Outsourcing: Sprint teamed with a small minority owned CPUC certified vendor, to develop and implement on-site document management services resulting in significant reduction in paper consumption, mitigating loss of jobs by allowing the MBE to absorb Sprint employees, while improving Sprint's cost savings and bottom line. In 2013, Sprint achieved cost savings while allowing a diverse supplier to grow their business to \$20.3 million in annual spend.

Financial Institutions: Sprint recognizes the importance of expanding its portfolio to include more minority owned financial institutions. Since 2011, Sprint has expanded its portfolio to include minority owned financial institutions. Furthermore, in 2013, Sprint continued its focus on increased spend within the investment management and debt underwriting services, both directly and indirectly, which resulted in \$1.5 million spend with CPUC certified firms.

Debt Collection/Call Center Services: In an effort to increase CPUC spend with debt collection and call center services, Sprint partnered with the Customer Care business unit to identify, develop and engage two new CPUC certified suppliers in 2013, totaling \$5.1 million.

Envelopes: in an effort to maintain a continuous supply to Sprint locations and to ensure a continued CA-SDVBE supplier, collaboration with Sprint IT, Supplier Diversity and the CA-SDVBE, resulted in adding a secondary CA-SDVBE envelope supplier. Establishing this relationship improves our business continuity, as we ramp work up/down with either supplier as needed, and thus reducing Sprint's risk of doing business with a sole provider.

Sprint's 2.5 Network Modernization Initiative: with Sprint's focus to improve our Network throughout the U.S., Supplier Diversity partnered with the Network business unit to increase the number of diverse suppliers and California suppliers in the site development commodity, which includes site acquisition, architect and engineering,

zoning and permitting, environmental services and cell tower construction services. In 2013, diverse spend totaled approximately \$115.3 million on site acquisition, of which, \$17.3 million was spent with Diverse Suppliers.

Facilities Management: Sprint partnered with CBRE (CB Richard Ellis) to unbundle portions of its national facilities management services to include a significant portion with diverse and CPUC certified suppliers. Through a teaming effort with CBRE and a small CPUC certified Minority Business Enterprise (MBE), Sprint was able to successfully execute an agreement with an MBE to manage Sprint's facilities. In 2013, this opportunity resulted in \$2.8 million in spend.

Advertising: Sprint led strategies to increase a significant portion of the company spend, within the advertising category, from traditional advertising agencies to CPUC certified suppliers. In 2013, this opportunity resulted in \$62.7 million in CPUC spend.

Human Resources Services: Sprint's aggressive efforts to grow the HR ancillary services area and to bring in a CPUC diverse supplier, resulted in further growth of business and spend with a California-based minority woman-owned company. In 2013, Sprint's spend totaled \$478K.

iDEN Network Decommission Project: Sprint's success to achieve network efficiencies and grow stronger as a corporation relies on the ability to achieve various goals. One of which is to successfully decommission the wireless iDEN platform and migrate customers to the wireless CDMA platform. Sprint recognized the significance and magnitude of the scope of work of this project, in terms of spend and customer results, and championed diverse business utilization. As a result, Sprint executed a contract in 2012 with a minority-owned firm valued at over \$7M. In 2013, spend increased to a total of \$52.3 million.

Information Technology Services: As a result of an initiative focused on growing our portfolio to include small diverse suppliers within the IT category, Sprint began a trial phase with two diverse suppliers, shifting spend from large VARs (Value Add Resellers) to small CPUC certified diverse suppliers. In 2013, Sprint's efforts resulted in a shift of \$27.6 million from large VARs to small CPUC diverse suppliers.

Supplier Development

Mentoring Program: Sprint's formal mentoring program includes eleven diverse suppliers, ranging in varied spectrum of services provided, including human resources staffing and recruiting, business consulting services, marketing and distribution services, logistics and warehousing services, construction services, and network services. Under the mentorship of eleven Sprint executives, one of the goals of the mentor program is to help develop the diverse suppliers so that they are better able to compete in the market place. Other objectives of the program include:

- Share insight into the business strategies, products and services
- Teach the diverse supplier how to better market their company
- Provide technical and management training
- Schedule time with Supply Chain Management sourcing managers to coach diverse supplier on how to properly respond to a Sprint RFP (Request for Proposal)
- Align the diverse supplier with Sprint's subject matter expert(s)
- Ensure the entire Sprint team is aware of the mentoring program to support additional project alignment with the diverse supplier
- Help increase the diverse supplier's sales with Sprint and major suppliers
- Align the Program's criteria within Sprint executive IDPs (Individual Development Plans)
- Evaluate investment and reciprocal opportunities

Sprint remains an active member of the Joint Utilities Committee (JUC), working together with other joint utilities regarding common regulatory issues related to GO 156, the Supplier Clearinghouse and other regulatory issues. Sprint plans to continue participating in face-to-face quarterly meetings, hosted in the state of California, to discuss regulatory changes that might affect the program or the processes used to annually report Utility results to the CPUC, as well as continue building positive relationships with other JUC members.

Procurement Reward Program: The goal of this program is to challenge Buyers and Sourcing Managers to identify creative ways to negotiate, with their internal clients, to procure products/services from diverse suppliers. Creative negotiation strategies include, but are not limited to:

- Continue researching diverse businesses for Request for Proposal (RFP) opportunities
- Use a spend diagnostics tool, to deploy a number of strategic sourcing strategies around key categories which are shown to offer significant opportunity for diverse businesses
- Encourage diverse business Value Added Reseller (VAR) opportunities with major Original Equipment Manufacturers (OEMs)
- Deploy an unbundle-buy approach to purchasing on very large aggregated projects where there is a reasonable opportunity to procure services from diverse businesses.
- Drawings are held within 5-10 business days of each quarter-end. Names are pulled each quarter, pursuant to contract award amount, for monetary awards ranging between \$250 and \$500

Supply Chain Training: Sprint supply chain professionals who procure goods and services on behalf of Sprint, balance many different factors in sourcing and selecting suppliers. Elements such as total cost of ownership, risk, supplier viability, terms and conditions, sustainability, switching cost, and maintenance requirements are but a few of the myriad of items that factor into a sourcing decision. However, when all things are equal, it's a supplier's diverse status that may be the deciding point in the final selection.

It's important that supply chain professionals develop small and diverse suppliers in a way that helps them help Sprint. Mary Lewis, Sprint Supply Chain professional, wrote and shares a practical guide on small and diverse supplier development, an article titled "Pitching to Players in the Big Leagues" published in the November 2013 issue of Think Bigger! magazine. The article was shared with Steve Myers, President and CEO of True North Management Services, a veteran-owned network site development supplier for Sprint. True North's executive team met with Sprint for a supplier development session. Steve's response was very positive. He said, "I read your article and it was helpful, insightful and made us re-think our approach in trying to tell our story to Sprint. We have ideas we know can save money for Sprint and at the same time build our company (win-win)... We "NOW" have a plan in place to improve our presentations to show clear objectives, our response to industry change and the overall benefit while working with True North." A copy of the article can be found at:

<https://www.ithinkbigger.com/category/expansion/page/5>

Sustainability: As part of its sustainability goals, Sprint set a ten-year (2007-2017) absolute GHG reduction target. Sprint has reduced its cumulative GHG emissions 18.81%, in part by using a collaborative supplier engagement model across its supply chain. In doing so, Sprint continues to work with small and diverse suppliers to provide access to training and information on how to become a certified sustainable company. The following feedback was provided by Todd Elmer, Vice President of Teoco, a CPUC certified supplier doing business with Sprint: "Teoco works with most all major carriers worldwide and, without question, Sprint is leading the industry in driving a culture of corporate social responsibility and ensuring the business has focused sustainable operations. Interestingly, Sprint's efforts have gone a significant step further - Sprint's making important investments to enroll key suppliers in this mission and empower sourcing managers to comply with training and a forum to work through any challenges. Sprint's leadership and holistic approach is helping ensure that our industry meets the remarkable potential of the mobile revolution in a responsible and sustainable way".

Greening Sprint's Small and Diverse Suppliers: Sprint's goal of ensuring that 90% of its suppliers (based on sourceable spend) meet Sprint's social and environmental criteria by 2017 has set us apart from virtually every other company in the telecom sector, not only because of the aggressive nature of the goal itself, but because of what we are doing to help develop all of our suppliers, including small and diverse. On September 24th at Sustainable Brands' The New Metrics of Sustainable Business conference, Sprint officially launched its supplier booklet entitled "Meeting Sprint's Supplier Criteria: Materiality Assessment and Greenhouse Gas Emissions." The public introduction came shortly after the soft launch in late August and early September to a targeted group of Sprint's small and diverse suppliers via two webinars conducted by Sprint

(hosted by Mary Lewis in Sourcing and Amy Hargroves in Sprint Corporate Social Responsibility (CSR). The booklet, the supporting Excel files, and the two webinars were the result of collaboration between Supply Chain Management and Corporate Social Responsibility in direct response to our suppliers' dilemma at the difficulty in understanding publicly available resources. Our suppliers want to meet our CSR criteria, but short of engaging a consultant, which many of them could not afford, the materials available to these suppliers were typically targeted at sustainability professionals; hence, the cause of their frustration.

A booklet and supporting spreadsheets were created and are available on Sprint's public website at <http://www.sprint.com/companyinfo/scm/src.html> e- booklet, which provides individuals to become familiar with just one of the ways Sprint has become a leader in corporate social responsibility. Sprint Supply Chain Management is currently exploring ways to make the webinars available to Sprint's suppliers.

Sprint Accelerator: Partnering with the community and developing Entrepreneurship: there's a neighborhood near downtown Kansas City where technology and entrepreneurship, artists, developers and makers collide. Aptly named, the Crossroads district is home to art galleries, technology start-ups, studios and co-working spaces. And now it is home to the Sprint Accelerator powered by Techstars. With a focus on mobile health services, the Sprint Accelerator will mentor 10 startup businesses focused on bringing together the future of mobile technology and health care. Leaders of early-stage mobile technology companies from across the United States applied to be in the inaugural class. Those who were selected will participate in a 3-month intensive mentorship program starting in March 2014 and receive up to \$120,000 in funding.

"We see health care as the ideal focus for the accelerator. From remote patient monitoring, to e-prescriptions to analyzing tremendous volumes of data, mobile technology is poised to reduce costs and increase the quality of health care," said CEO Dan Hesse.

In addition to accelerating development of technology ventures focused on mobile health, Sprint will also use the new Crossroads location to deliver programming including mentor engagement, STEM programs, entrepreneurial education and community collaboration. It also provides co-working space for partner organizations including Pipeline, Silicon Prairie News and UP Global.

Project Connect: In demonstrating Sprint's commitment to using our technology, human and financial resources, Sprint provided a \$100,000 grant to the Oakland Military Institute (OMI). Located in Oakland, OMI is a racially diverse college preparatory academy for sixth through twelfth graders and is known for its demanding academic program that includes language arts, math, science and history, as well as world languages, leadership and physical fitness training. About 83 percent of the students qualify as economically disadvantaged, and more than 43 percent of students are learning English as a secondary language. Sprint provided Samsung Chromebooks, wireless service and internet security solutions to help 120 economically disadvantaged students. More than ever, the world calls Sprint to use the power of the Internet and digital technologies in many areas of our lives. Students without the economic means to fully participate in the digital realm can be at a severe disadvantage in working toward a better future. Sprint is proud to provide

the equipment, cutting-edge technology solutions, and resources that the students and teachers need to access the most current educational resources available and to achieve their highest educational goals. Dr. Mark Ryan, Superintendent of OMI said: “with the new technology and technology solutions, students can enjoy enhanced educational experiences while they are here at OMI, and I believe those experiences will lay the foundation for greater opportunities when they leave this school and pursue future careers.

White House ConnectED effort:

Initiative will connect thousands of U.S. students with high-speed wireless service. Sprint has a long history of supporting education initiatives that merge the innovation of evolving technologies with new, effective methods of learning. From programs like 4NetSafety to supplying cost-free wireless services and devices to thousands of rural and urban schools across the country, we have proven ourselves to be a corporate leader in this space.

Sprint CEO Dan Hesse upped the ante on our commitment to a broadband-rich educational environment by joining President Obama and Secretary of Education Arne Duncan for a special announcement at Buck Lodge Middle School in Adelphi, Md. Beginning Sept.1, Sprint will provide four years of wireless broadband connectivity for 50,000 low-income K-12 students around the U.S. in support of the White House ConnectED initiative. Debuted in summer 2013, ConnectED is a public and private effort to get technology into classrooms, and into the hands of teachers and students.

Women’s Initiative: Women’s Initiative for Self Employment is a nationally-recognized nonprofit organization that provides high-potential, low-income women with the training, funding, and ongoing support to start and grow their own business. The business management training, technical assistance, and financial services provided, in English and Spanish, improve the quality of life for women, their families and communities. Sprint provided financial support to the organization.

Sprint Supplier Diversity initiated an outreach program utilizing e-sourcing to communicate and promote CPUC efforts, across Sprint’s major suppliers and partners. In addition, Sprint launched a program requesting its major supply base and partners encourage their diverse suppliers to obtain CPUC certification.

As past two-term Chair of the Technology Industry Group (TIG), made up of 33 major technology corporations, Sprint’s Supplier Diversity team continues to lead efforts to encourage the group to focus on processes to increase diverse spend in California and with CPUC certified suppliers. In 2013, Sprint received the DiversityNxt Awards in recognition for its diversity efforts in the Technology industry. In addition, for the TIG MBE of the Year Award, Sprint nominated Fullerton Engineering, a CPUC certified business that provides cell site development services. This recognition is another Supplier Diversity process that positively highlights and further exposes MBEs, resulting in exposure to other corporations for possible opportunities.

Subcontracting: Sprint's Master Agreements with major suppliers require diverse utilization (subcontracting) goals with diverse and CPUC certified suppliers. Subcontracting dollars are reported quarterly to Sprint for review and audit. Major suppliers are asked to donate toward a diverse supplier scholarship or a diverse Council when they fall short of meeting their diverse supplier utilization goal. Major suppliers are required to engage Sprint Supplier Diversity and attend onsite diverse supplier meetings to evaluate opportunities to meet their goals.

Network OEMs: Sprint Supplier Diversity ensures that Sprint's major Network OEMs provide an annual Supplier Diversity Subcontracting Plan, addressing goals, efforts and reporting of M/W/DVBE goals.

Supplier Diversity Education: Sprint Supplier Diversity implemented an on-line course, which highlights how Sprint's bottom-line is impacted by supplier diversity efforts by providing associates within Sprint's 40,000 employee organization to learn more about the program.

DIVERSITY AND INCLUSION COUNCIL

Diversity is a key part of the way Sprint does business and we are committed to all forms of inclusion and diversity: ethnicity, gender, generational, ability and thought. As a global telecommunications leader, we value diverse points of view and recognize an inclusive work place is critical to our success. For these reasons, Sprint commits time and resources to the continued growth of our inclusion and diversity initiatives and goals that are established by each major business unit.

Sprint's executive Diversity Council focuses on advocating and raising awareness of our strategic initiatives throughout the organization and by meeting with diverse organizations, such as DiversityInc., to evaluate opportunities to further advance our workforce initiatives. In addition, Sprint's seven Employee Resource Groups (ERGs) are committed to the growth and professional development of all employees.

Inclusion & Diversity partners with Supplier Diversity, Human Resources, Marketing, Staffing and many other business units, to ensure successful implementation of all of our inclusion and diversity efforts. Sprint participates in many recruiting efforts via career fairs, online and virtual fairs and referral programs with our employees and ERGs. Overall, Sprint is proud to attract the best and brightest employees who are able to provide diverse customers with the best customer service and products available.

Sprint's Office of Inclusion and Diversity has programs to serve our employees, communities, customers and suppliers:

- Employees – Employee Resource Groups, Inclusion Council, inclusion training, diverse recruiting, internal and external surveys and cultural events, activities and education. Sprint's ERG groups consist of:
 - **The Diamond Network** is an African American focused group whose mission is to aid Sprint in recruiting, retaining and developing employees through professional development and mentoring.
 - **Pride** strives to provide support and outreach to Sprint's LGBT employees and customers, demonstrating Sprint's strong commitment to diversity and inclusion. Internally, Pride focuses on issues such as workplace culture, attracting and retaining an inclusive workforce, and providing associates with opportunities for professional development, mentoring and professional support. Externally, Pride works to support company business objectives by providing insight into LGBT attitudes, identifying new business contacts and participating in community events and other marketing opportunities.
 - **Enlace** creates an environment that fosters the development of Hispanics, drives understanding and awareness of the Hispanic culture and contributes to the business success of Sprint, as well as our diversity and inclusion goals.
 - **OASIS** is committed to promoting diversity by partnering with Sprint and the Asian-Pacific American community for employee development, market initiatives, attracting and retaining talent, community involvement and cultural enrichment.
 - **WISE** fosters an environment of professional networking, mentoring, and educational opportunities. The Women's ERG supports career growth and the development of female leadership at Sprint.
 - **V.E.T.S:** To help connect veterans who work for Sprint, we offer a veteran-focused Employee Resource Group (ERG), VETS (Veterans and Employees helping others Through Sprint). VETS has more than 830 active members in 36 states and Puerto Rico, building on Sprint's strong reputation through community-service outreach to veterans and military personnel and providing members with professional-development and mentoring opportunities. The VETS ERG also works to provide Sprint employees with events that recognize past and present members of the armed services.

Sprint values and honors members of the military who serve and have served our country. With approximately 1,500 employees who have identified themselves as veterans and 50 employees who are currently deployed, we are committed to supporting and hiring military veterans and their families. Our strong commitment to the military and veterans is widely recognized. Sprint was recently recognized as a 2014 Most Valuable Employer for Military for the fifth year in a row from CivilianJobs.com, named by G.I. Jobs as a top Military Friendly Employer for 2014, as well as the No. 2 happiest company for U.S. veterans in 2012 by CareerBliss.

Sprint recently donated \$100,000 in technology to military students and is partnering with the U.S. Army's Partnership for Youth Success (PaYS), a strategic U.S. Army program working with businesses across different industries to open the door to possible employment opportunities once a soldier or cadet has fulfilled his or her required Army obligations with the Army, Army reserve or Army ROTC. Sprint also offers military discounts to current and former military veterans.

Another part of our commitment lies in our recruiting efforts targeted specifically at members of the military and veterans. Our military-specific recruiting efforts include:

- Postings on base: Sprint posts available positions on military bases and transition offices, military job websites and universities. We also get involved in military-sponsored activities in local communities.
- Military Transition Workshop: These workshops share information with exiting members of the military and veterans about how military skills translate to civilian jobs, how to build identity/personal brand, network and create a road to success.
- Training for recruiters: We ensure our recruiters have the information they need to help translate skills between military and civilian positions.
- Military Web page that highlights key points on Sprint's commitment to hiring military veterans and their families, and benefits offered when on active duty.
- Military Occupational Specialty (MOS) skills translator: By selecting their MOS code or military title, applicants will receive a listing of open positions at Sprint that would be a potential match based upon their skills.

In June 2013, Sprint and Clear Channel collaborated on the iHeart Radio Show Your Stripes movement, an initiative aimed at increasing job opportunities for men and women who served in the military.

Our commitment to our veterans and members of the military go beyond the hiring process to include specific policies that support employees during involuntary call-ups to active duty. We grant employees time away from work to participate in Reserve and National Guard training. For Reserve and National Guard training, Sprint pays the difference between Sprint base pay and military reserve base pay for up to two work-weeks during each calendar year. In the case of involuntary call-up, employees can choose to keep their full benefits in effect and receive un-prorated bonuses or commissions and continued wireless phone benefits.

Home Transition Workshops:

To honor and assist the thousands of veterans returning home to their families and civilian life, Sprint and ComPsych are offering a complimentary webinar for veterans, families, friends and anyone wishing to help veterans successfully transition home. During this 35-45 minute presentation attendees will:

- Understand the issues returning veterans face at home and at work
- Describe ways of re-establishing relationships with spouse, children, family, friends and co-workers
- Describe strategies for managing emotions and addressing conflict
- Identify resources available for the transition home

While Sprint strives to honor our men and women in uniform everyday through our policies, we also emphasize Veterans Day each year with a community wide celebration. Sprint held a Veterans Day Celebration at our Overland Park, Kansas campus, open to the public on Thursday, Nov. 7.

- Community – Philanthropy, Corporate Social Responsibility, Sprint Foundation, Sustainability, Strategic Alliance (with Human Rights Campaign, National Association for the Advancement of Colored People, National Association of Asian American Professionals, National Urban League, League of Latin American Citizens and National Council of LaRaza, United States Hispanic Chamber of Commerce) to name a few.
- Sprint is committed to the belief that we all share in the responsibility to conduct our businesses in a socially and environmentally responsible manner. We base this on the premise that a company is much more than the products and services it sells; the effect a company has on the environment, the people and the communities it serves reflects the company's dedication to being not only a good business, but to being a good corporate citizen.

Sprint uses the phrase “corporate social responsibility” to describe Sprint’s approach to balancing business objectives with Sprint’s environmental, social and economic responsibilities

- Customers – Multicultural Marketing:
As a leading provider of wireless and wireline communication services, Sprint recognizes that multicultural populations are heavy users of technology, which is one of many reasons why Sprint is committed to serving this important and influential market. Sprint’s Multicultural Marketing efforts work to increase our presence and revenue opportunities in diverse markets by offering innovative products and services designed with different cultures in mind.

Some examples of how we serve our diverse customer base include:

- Visual Voicemail to Text in Spanish
- Music and TV content such as BET and Univision channels on Sprint TV
- Serving as the nation's largest Telecommunications Relay Service (TRS) provider
- Spanish language services to aid our Hispanic customers including marketing collateral, billing, customer service support and bilingual retail representatives
- Providing Sprint ID packs, prepackaged applications designed for our diverse audience needs including:
 - Spanish language Univision ID pack for our Hispanic consumers who are looking for entertainment, sports, news and more with a customized focus on the Latino culture.
 - Accessibility-themed Sprint Relay ID packs designed to accommodate the accessibility needs of people who are unable to read standard printed material because of blindness, visual disability, physical limitations or dyslexia.
 - Veterans ID pack to assist those who have served our country, or who are currently serving, find helpful resources, apps, links and other mobile content like U.S. Military News Feed, reputable news outlets like CNN or Fox News, job information and other helpful resources.

The personal nature of wireless devices makes it imperative for wireless carriers to earn customers' trust. Sprint strives to make positive changes, generate awareness of important social issues, and do the right thing. Sprint puts the safety of our customers, employees and other community members first:

- NetSafety, our free Internet-safety program for teens and tweens; families and educators are encouraged to learn more at 4NetSafety.com.
 - Our Focus on Driving program (sprint.com/focusondriving) helps keep drivers safer behind the wheel.
 - We help keep families safer with applications to help parents keep their kids safe and focused on what matters whether they are at home, at school or on-the-go. Sprint Mobile Controls, Sprint Drive First and Sprint Family Locator are available as a Family Safety bundle for \$9.99 per month for up to five lines on the same account.
 - Lower-income, elderly and disabled customers have access to life-saving emergency services through Sprint's Assurance Wireless program (assurancewireless.com).
- Sprint is an environmental leader:
- Ranked 3rd on Newsweek's 2012 list of the 500 greenest companies and is the only telecom in the top 25.

- Sprint is the only carrier with device-buyback target (90 percent by 2017). Since 2001, Sprint has collected more than 40 million devices for reuse and recycling. Sprint even offers subscribers an instant credit for recycling eligible devices in store.
- Recycle your no-longer-used phone through Sprint Buyback, and it may be eligible for an account credit of up to \$300 – regardless of which carrier it comes from!
- Sprint is able to reuse nine of every ten devices collected, minimizing waste by extending the phones lifecycle.
- Sprint has more devices and accessories with eco-friendly features than any other carrier in the United States.
- Worked with ULE (Underwriters Laboratory Environment) to develop the first set of environmental standards for wireless mobile phones.
- Small Business Specialty teams: Dedicated resources, customized products and special offers for small business owners.
- Assurance Wireless: Provides free cell phone service to in-need eligible consumers with low incomes and/or receiving government assistance in 41 states – free phones – 250 minutes + 250 texts/month.

Building Strong Communities:

The Sprint Good WorksSM program is more than just a name. Good WorksSM is also a belief: Good does indeed workSM. The good works we perform every day benefit three key subjects: people, product and planet:

People- Building Strong Communities:

- Employees donated enough food and funds for 650,000 Meals nationwide in 2013
- Sprint and Sprint employees donated more than \$2 million to United Way in 2013
- Sprint Foundation has awarded \$122 million in charitable giving since 1989
- Results of our 2013 United Way campaign:
 - Sprint employees, along with the Sprint Foundation, donated \$3.1 million to United Ways across the country during our two-week, 2013 campaign in late October. This is the first time in Sprint's history of running a campaign that we have surpassed the \$3 million mark. Thanks to the generosity of our employees and the 50 cents on the \$1 match from the Sprint Foundation, we were able to achieve these extraordinary results. Employees in Kansas City and the Sprint Foundation donated more than \$2 million during this year's campaign. Employees located outside of Kansas City donated more than \$1 million with the Sprint Foundation, which resulted in a 15 percent increase in total contribution.
 - More than 700 employees volunteered time and energy to the United Way campaign, in addition to those who told their stories. Sprint employees opened their hearts and wallets to those in need and to the most vulnerable members of our communities.

Promoting a diverse, ethical, healthy workplace:

- Seven Employee Resource Groups
- Leading with Integrity
- Comprehensive Benefits
- Sprint Get Fit Challenge: Nearly 10,000 participants and more than 21,000 total pounds lost

Product: Anticipating the needs of our customers and continuing to make our award-winning services accessible for seniors and people with disabilities and veterans:

- Seniors
- for Deaf and hard of hearing:
 - Nation's largest provider of captioned telephone services
- Low vision
- Cognitively or mobility impaired
- Military Customers:

Sprint is proud to offer the following incentives to help keep our troops connected

- 15 percent service discount off select plans for customers who are on active duty, retired, or in the reserves and veteran members of the U.S. Armed Forces as well as employees of the Department of Active Duty.
- \$100 port-in credit to Department of Defense employees.
- \$100 service credit for each newly activated line of service for every line switched to Sprint.
- Sprint's Military Suspension program lets deployed military customers remain on their original service plan and keep their phone number for up to 36 months.
- Sprint offers a Deployed Military Plan for Boost Mobile and Virgin Mobile customers allowing service men and women to maintain their prepaid plans while deployed overseas, with no reactivation fees when the account is restored.

Planet:

- Industry-leading sustainable product design
First U.S. wireless carrier to establish a set of environmental design criteria for devices
- Industry-leading wireless recycling program
- Industry-leading commitment to help protect our climate
- Aggressive goals to reduce carbon footprint, use of natural resources and the environmental impact of our products, suppliers
- Awards and accolades
 - Sprint named to Dow Jones Sustainability Index (DJSI) North America for the fourth consecutive year – DJSI (Sept. 2013)

- Sprint named to both the Disclosure Leadership Index and Performance Leadership Index – Carbon Disclosure Project S&P 500 Climate Change Report 2013 (Sept. 2013)
- Sprint Named Most Eco Focused Wireless Carrier – Compass Intelligence (Jan. 2014)
- Sprint recognized for breaking world record for recycling the most cell phones in one week – GUINNESS WORLD RECORDS (Sept. 2013)

Corporate Support:

Sprint and our employees are proud to support the following events:

- 2013 National Disabled Veterans Winter Sports Clinic
- 2013 National Disabled Veterans Summer Sports Clinic
- 2013 VFW (Veterans of Foreign Wars) National Convention
- 2013 Sponsor of the Army Soldier Show
- 2013 Snofest
- MWR (Morale Welfare & Recreation)
- ARMP (Army Machine Program)

SUSTAINABILITY

Opportunities in Sustainability: As Sprint continues to be a leader in environmental responsibility, we look for opportunities to create synergy between our sustainability efforts and our supplier diversity goals.

Supply Chain Management: According to a November 8, 2013 Washington Post blog, the U.S. labor rate has been declining steadily since 2000 and the participation rate is expected to be lower in just six years (2020) than it is today. When that sobering statistic is juxtaposed with the fact that the supply chain management field is booming – “fueled by technology changes in an ever-evolving global market,” according to Michael Hugos, author of Essentials of Supply Chain Management, who was quoted in a September 2013 U.S. News & World Report article, it becomes clear that we need to start working on developing tomorrow’s supply chain management talent pipeline now. Sprint is working with PREP-KC, a Kansas City non-profit organization focused on getting high school students from six low income districts, encompassing thirteen high schools in the Kansas City metro area, “college and career ready.” Included in the newer fields that the non-profit is focusing on are careers in supply chain management. To help familiarize students with job choices, PREP-KC holds “Career Jumping” events, where small groups of students interview professionals, asking questions about salary, skills, education requirements, opportunities for advancement, and levels of satisfaction. The professionals come from

companies both large and small across Kansas City metro and provide tips and guidance on career choices. Sprint Supply Chain Management members participated in a supply chain management Career Jumping event at a Kansas City High School. To help expand their supply chain management network of contacts, Sprint Sourcing is coordinating with PREP-KC, to present on PREP-KC and meet supply professionals in an ISM-KC (Institute of Supply Management) meeting.

- **Responsible Recycling and Diverse Suppliers:** Sprint, a leader in environmental sustainability, participated with Vintage Tech, a woman-owned company, at the recycler's Illinois location for EPA's Sustainable Materials Management. Separately, we have been an advocate for diverse suppliers, including Vintage Tech, to gain business contacts inside and outside of Sprint such as eWaste disposal events. Sprint forged a partnership with Vintage Tech and PREP-KC to further make supply chain functions relevant and real to high school students, and is developing a curriculum for the students to follow a supply chain from beginning to end (sourcing, procurement, receipt, distribution, selling, fulfillment, repair, disposition (recycling or disposal)).
- **Renewable Energy:** As Sprint, a member of the EPA's Green Power Partner program, explores solutions to meet its corporate renewable energy goals ("10% of energy will come from renewable sources by 2017"), Sprint has expanded sourcing efforts to look for certified diverse businesses in this non-traditional purchasing area. Therefore, Sprint included diverse suppliers in all of its 2012 Renewable Energy Credit (REC) RFPs. In 2013, Sprint Renewable Energy Working Committee awarded REC contract to Greenlight Energy, a certified small woman-owned business. Sprint has 176,000 vintage 2014 National Green-E RECs, half of which are being supplied by a certified diverse supplier. Sprint will continue to work on establishing a base of diverse suppliers in its new eSourcing system in order to evaluate more diverse suppliers for 2015 vintage RECs.
- **Building Sustainability Capacity of Diverse Suppliers.** In 2012, Sprint undertook an assessment of its suppliers to set a baseline in support of Sprint's corporate goal of ensuring "90% of suppliers, based on sourceable spend, meet Sprint's environmental and social criteria by 2017". Efforts of collecting and analyzing supplier responses resulted in findings that virtually all assessed diverse suppliers did not meet Sprint's criteria. In 2013, Sprint Sourcing continued contacting each supplier and provided one-on-one coaching, in addition to coordinating senior executive outreach. Additionally, Sprint continued its efforts in collaborating with at least one Non-Government Organization (NGO) as well as the General Service Administration (GSA) to advocate for resources with a sliding scale of cost that is small business-friendly.

Supplier Audits

In an effort to ensure compliance with contractually agreed supplier diversity utilization goals and reporting by Sprint's prime vendors, Supplier Diversity partners with Supply Chain Management (SCM) Reporting and Compliance group to audit the supplier diversity commitments and performance.

Methods Used to Identify Minority, Women and Disabled Veteran businesses:

Sprint identifies diverse suppliers through various means of outreach efforts, in-reach efforts, data base utilization, internal vendor registration portal, Sprint Supplier Diversity e-mail box (SupplierDiversity@sprint.com), local, regional and national trade show events and conferences, and match-maker events, to name a few.

Sprint continues to strive toward a vastly robust diverse business outreach and recruiting campaign. The 2014 year anticipates outreach and recruiting events to include, but are not limited to, the following tradeshow along with use of their databases or support:

- DiversityNxt sponsored by the Technology Industry Group (TIG)
- National Center for American Indian Enterprise Development
- Northern California Minority Supplier Development Council
- Mountain Plains Minority Supplier Development Council
- California Veteran's Business Alliance
- Chicago Minority Business Development Council
- United States Pan American Asian Chamber of Commerce (USPAACC)
- Asian American Chamber of Commerce of Kansas City
- National Minority Supplier Development Council
- Women's Business Enterprise National Council
- The Elite SDVOB Network National Conference
- United States Hispanic Chamber of Commerce
- NaVOBA - National Association of Veteran Business Association
- Southern California Minority Supplier Development Council
- Technology Industry Group (TIG)
- California Utilities Diversity Council
- California Public Utility Commission Joint Utilities meetings
- Small Business One-on-One Match Make events
- City of Kansas City, MO, Human Relations Business Opportunity event
- Dynamic Small Business Search: dsbs.sbs.gov
- Women-Owned Small Business: www.womenbiz.gov
- Veteran-Owned Businesses: www.vetbiz.gov

- The SupplierClearinghouse (California)
- Emptoris e-sourcing (internal data base)
- CVM Solutions Locator Tool
- SBA.gov
- SAM.gov
- City of Chicago data base
- NMSDC MBysis
- Somwba.state.ma/Business Directory: <http://www.somwba.state.ma.us>
- Dynamic Small Business Search: http://dsbs.sbs.gov/dsbs/search/dsp_dsbs.cfm
- The SBA's HUBZone website: <https://eweb.sba.gov/hubzone/internet>
- Veteran-Owned Small Business: <https://www.vetbiz.gov>
- CADVBE.org (California disabled veteran owned businesses)
- Equifax/iNet
- Various state and city certifying agencies

Prior to attending tradeshow, Supplier Diversity partners with Sprint's Procurement and major Business Units to create a sourcing plan that allows the Supplier Diversity team to proactively seek out diverse suppliers for existing and upcoming Request for Proposal (RFP) opportunities.

To achieve best prices and delivery possible in its procurement, Sprint employs an e-purchasing tool in affecting a portion of its purchases. The procurement and tracking system assists buyers to source and utilize California and CPUC diverse suppliers. This procurement process allows Sprint to offer its customers, including government agencies, competitive prices in the sale of products/services. In 2014, Sprint will continue to promote and grow this program throughout the company by:

- Increasing our efforts to locate and procure more services/products from CPUC certified suppliers
- Offering mentoring and relationship building to help suppliers navigate the process to become a global supplier
- Support CPUC suppliers through scholarship opportunities
- Encourage major suppliers to incorporate second tier (flow down) arrangements with California and CPUC suppliers
- Provide training programs to educate employees about the advantages of Supplier Diversity
- Expanding awareness of the program to all major Sprint Business Units
- Aggressively recruit suppliers who have the skill sets that can provide the best solution at the right price point

Procurement Quarterly Tracking: The Supplier Diversity manager releases quarterly results to SCM (Supply Chain Management) managers and major Business Unit executives, requesting that they and their staff evaluate realigning a portion of existing purchases with large businesses with small and diverse suppliers, upon contract termination.

The Supplier Diversity Department works closely with the Procurement team to include CPUC certified businesses in the purchasing process.

The Supplier Diversity Department partnered with Sprint's internal clients regarding Sprint's Network Vision upgrade project to create a list of 400 qualified diverse and CPUC certified businesses for consideration of opportunities to support build out of Sprint's new network.

Sprint's Master Agreements with large suppliers require diverse utilization goals ranging between 5 - 13% of annual contract revenue. Each Sprint supplier is requested to report quarterly diverse spend into Sprint's database.

Sprint's VP of Procurement created a standard letter of recommendation that is released to Sprint's large businesses, on behalf of qualified CPUC diverse suppliers, requesting the large business provide an opportunity to introduce their products/services.

Sprint introduces CPUC certified suppliers to Network Vision Original Equipment Manufacturers (OEMs) who can perform services and support the OEMs, Alcatel-Lucent, Ericsson and Samsung, achieve their contractual diverse spend commitments to Sprint which supports Sprint in meeting its diverse spend commitments with CPUC.

Other methods used by Sourcing and Supplier Diversity:

Assists WMDVBE businesses by arranging solicitations, time for the preparation of bids, quantities, specifications, and delivery schedules so as to facilitate the participation and inclusion of WMDVBEs.

Provide adequate and timely consideration of the WMDVBE potentialities in "make-or-buy" decisions.

Counsel and discuss subcontracting opportunities with representatives of WMDVBEs.

Confirm that a subcontractor representing itself as a California/CPUC certified business is identified as such.

Provide notice to subcontractors concerning penalties and remedies for misrepresentations of business status as small, HUBzone small, small disadvantaged, women-owned small, veteran-owned small, or service-disabled veteran-owned small business for the purpose of obtaining a subcontract that is to be included as part or all of a goal contained in the contractor's subcontracting plan.

Develop and promote Sprint's policy statements that demonstrate the company's support for awarding contracts and subcontracts to WMDVBEs.

Develop and maintain bidders' lists to ensure CPUC WMDVBEs are considered in possible opportunities from all possible sources.

Ensure that WMDVBE concerns are included on the bidders' list for every subcontract solicitation for products and services they are capable of providing.

Ensure that subcontract procurement packages are designed to permit the maximum possible participation of WMDVBEs.

Review subcontract solicitations to remove statements, clauses, etc., which might tend to restrict or prohibit WMDVBEs.

Ensure that the subcontract bid proposal review team documents its reasons for not selecting any low bids submitted by WMDVBEs.

Oversee the establishment and maintenance of contract and subcontract award records.

Attend or arrange for the attendance of company decision-makers at Business Opportunity Workshops, Minority Business Enterprise Seminars, Trade Fairs, etc.

Directly or indirectly counsel WMDVBEs on subcontracting opportunities and how to prepare bids to the company.

Conduct or arrange training for purchasing personnel regarding the intent and impact of CPUC goals and objectives.

Develop and maintain an incentive program for buyers that support the subcontracting program.

Monitor the company's performance and make any adjustments necessary to achieve the WMDVBE goals.

Manage quarterly WMDVBE reports submitted by major suppliers to support year-end filings.

Prepare and submit timely tracking reports.

EMPLOYEE EDUCATION

The Supplier Diversity team has and continues to perform many activities to ensure the education of its employees. As increasing supplier diversity spending is a nationwide, corporate goal, it is important that all employees understand how they can assist in reaching the goals of the company. Therefore each individual Business Unit (BU) is assigned a goal, based on budget opportunities,

to support the corporate goal. Results of the assigned business unit goals led to Sprint executive support as follows:

- Supplier Diversity maintains an updated on-line course educating employees regarding the impact of supplier diversity and how it affects Sprint's bottom-line.
- Supplier Diversity presented to Sprint's various Business Units in educating employees on how they can influence WMDVBES and CPUC purchasing in their decision making at the local, regional and national level. As a result, the Network business unit is able to direct business to CPUC suppliers from listings made available to them which provides name and contact information of vendor, capabilities and locations. Sprint's Supplier Diversity, Sourcing and Network teams partnered to ensure Master Agreements were executed to expedite possible contract awards when the opportunities arise. These initiatives led to \$17.3 million in diverse spend within the Network site development commodity.
- Sprint Supplier Diversity continues to publish articles for education and training purposes, enterprise wide on Sprint's intranet sites:
 - "Supplier Diversity News" article, educating employees on what supplier diversity means, our policy, the evolution of supplier diversity, our diversity council and mentoring program, and to complete the Sprint on-line supplier diversity course.
 - "California Diversity Spend- How you can help": Supplier Diversity partnered with Sourcing to map out the Request for Proposal (RFP) process detailing the steps required to ensure inclusion of CPUC suppliers as part of the supplier selection and decision-making process.
 - "How Good Are You at Developing Diverse Suppliers?" an article published in Sprint's internal website, educating supply chain management professionals on balancing the many different factors in sourcing and selecting suppliers and small business development. Elements such as total cost of ownership, risk, supplier viability, terms and conditions, sustainability, switching cost, and maintenance requirements are but a few of the myriad of items that factor into a sourcing decision. However, when all things are equal, it's a supplier's diverse status that may be the deciding point in the final selection.
 - "Pitching to Players in the Big Leagues", an article published in the November 2013 issue of Think Bigger! Magazine, by Sprint Sourcing Manager, was shared with the Supply Chain Management and Procurement organizations, to help educate Sprint associates in further developing and coaching small and diverse suppliers, and thereby achieving win-win results for the WMDVBE and Sprint.
- Employee Events: "How Your Actions Impact Sprint's Bottom Line"; Sprint Supplier Diversity partnered with Supply Chain Management to incorporate training and information about supplier diversity and its impact on the bottom line by decision makers. The course is offered, online and in

person, to all Sprint employees responsible for managing vendors or contracts. The course outlines Supply Chain Management (SCM) Policies, Procedures, and how employees can make a difference.

- The Supplier Diversity team has established a consistent communication with Sprint's business units (BU) on a quarterly basis with specific measurements and results, in an effort to keep each BU on target. Diversity Champions for each Business Unit are engaged in the review and input process, and in turn, assume a valuable stake in the process of managing and owning diverse supplier utilization. The education process with each BU Champion is ongoing and the BU Champions provide recommendations to their organization regarding opportunities to increase diverse spend.
- Sprint Supplier Diversity created an internal Tier II program to help the Business Units in meeting their goals by identifying potential sourcing opportunities that a diverse supplier could participate in with a Sprint major supplier. First step is for the BUs to identify subcontracting opportunities with Sprint's major suppliers; step 2 is to send the sourcing requirements to SupplierDiversity@Sprint.com and the Supplier Diversity team will assist with the identification of a pool of qualified diverse suppliers. Purchases made by the major suppliers, upon diverse suppliers recommended by the business unit, will be included in the business unit's quarterly Supplier Diversity results report.

COMMUNICATING RESULTS

The Supplier Diversity team continues to communicate results in the following manner:

The Supplier Diversity team communicates the results of Sprint's achievements on a quarterly basis to Sprint major Business Unit (BU) executives, BU Diversity Champions and Sourcing staff. The team provides monthly updates to other Sprint employees upon request.

The Supplier Diversity team partnered with the Network Business Unit and cohesively partnered to ensure increased purchasing of network site development services from diverse suppliers, in California as well as in other regions. Supplier Diversity attended Network's staff meetings and provided presentations and guidance on the BUs goals and how to increase CPUC spend. In 2013, this totaled over \$17 million in spend with diverse suppliers.

The Supplier Diversity team partnered with the IT Business Unit to provide guidance on how to further increase CPUC spend. In 2013, this resulted in \$172 million in spend with CPUC suppliers.

The Supplier Diversity team provides weekly update reports on CPUC and other supplier diversity activities, highlighting points of progress and/or areas of risk. The Weekly Activity Report (WAR) is shared with the entire Supply Chain Management Organization and with the Finance organization.

The Supplier Diversity team publishes diversity goals and progress against the goals, on the Sprint's internal website, along with articles re-enforcing the supplier diversity initiative and its impact on Sprint's bottom line.

Sprint associates are formally recognized for their support of supplier diversity through various Sprint recognition programs. Recognition is awarded at all levels of staff meetings, as well as company-wide recognition on the Sprint's internal site. Some awards also entail monetary and exceptional company benefits as recognition.

Supplier Diversity Recognition Program was implemented and advertised corporate-wide on Sprint's intranet site to promote more business with diverse suppliers and includes California and CPUC suppliers. Additionally, the Program was advertised in Sprint's i-Lead brochure, disseminated monthly to all levels of Sprint management that highlights programs for discussion throughout the organization.

In 2013, through meetings and use of the corporation's many internal communications methodologies, the Supplier Diversity team continued raising awareness regarding the importance of increasing the amount of spend with diverse suppliers. Additionally, individual Business Unit results are housed on Sprint's intranet for corporate-wide view. These and other communication efforts continue to emphasize and bring awareness and sensitivity to the need to enhance the corporation's efforts regarding supplier diversity.

COMMUNICATING PROGRAM SUCCESSES

Communicating program successes is important to the Supplier Diversity Program. Sprint's Supply Chain Management contracts process includes informing the Supplier Diversity team of diverse awards. Several contract awards will be published internally to emphasize the achievements of the program. Sprint will continue to develop success stories regarding successful partnerships with diverse suppliers with the goal of illustrating that diverse companies can provide cost savings, process improvements, and added value to the company. The success story outline provides the basis for Sprint's internally published articles. This outline defined below is at the Sourcing Manager's discretion regarding how to report the success.

Success Story Outline

- a. Overview
 - i. Company background
 - i. Ownership
 - ii. Years in business
 - iii. Core Competencies
 - ii. The Opportunity
 - 1. Business Owner
 - 2. Opportunity details
 - 3. The RFP process that took place
 - Finding the suppliers
 - a. The resources Sprint used
 - b. What made them a candidate?
 - What was the competition like?
 - a. Number of large businesses
 - b. Ratio of diverse companies in the bidding process
 - c. Incumbents
 - Award process
 - a. Cost
 - b. Competencies
 - c. References
 - d. Key attributes
- iii. Outcome
 - a. Success of the supplier
 - Performance
 - Growth
 - b. Success to Sprint
 - Cost Savings Achieved
 - Growth in diverse spending
 - Future Opportunities

INTERNAL PROGRAM IMPROVEMENTS

Sprint's Supplier Diversity program continues to improve in California. Many of these improvements are attributable to the leadership by Sprint's VP of Procurement and Real Estate, who continues open dialogue regarding diversity at Sprint's executive level. Additionally, hard work and flexibility of the Sprint Business Unit Diversity Champions, staff within Supplier Diversity, Supply Chain Management professionals and Sales demonstrate efforts to comply with the corporate policy of supplier diversity.

Sprint Supplier Diversity continues the initiative of informing diverse suppliers of CPUC certification and requesting M/W/DVBE suppliers to pursue and obtain CPUC certification. In 2013, 15 suppliers were requested to become CPUC certified, resulting in spend of approximately \$78 million.

Procurement Reward Program: Challenges procurement buyers and sourcing managers to identify creative ways to negotiate, with their internal clients, to procure products and services from diverse and CPUC suppliers.

Supplier Diversity Mentoring Program: Sprint executives mentor diverse suppliers, on a national level, for a 12 – 18 month development program. In 2014, Sprint is evaluating opportunities to align the Program within executive IDPs (Individual Development Plans).

Sustainability: Sprint continues to be a leader in environmental responsibility. We look for opportunities to create synergy between our sustainability efforts and our supplier diversity goals. Sprint hosts on-site workshops with diverse suppliers to educate them on Sprint's program.

Sponsorships: Sprint teams throughout the enterprise engage diverse suppliers in networking opportunities and events. Sprint is a major sponsor of several national, regional and local conferences aimed at developing the diverse supplier communities.

Supplier Exposure: Sprint nominated and sponsored several diverse and CPUC certified suppliers for recognition on national, regional and local levels. Sprint successfully nominated and is sponsoring a minority owned CPUC supplier to the NMSDC Corporate Plus program. Sprint also nominated a minority CPUC supplier to the TIG (Technology Industry Group) Diversity Next Generation MBE Award, held in Santa Clara, CA. In addition, Sprint nominated several minority owned CPUC suppliers to the Mid America Minority Supplier Development Council and the KC Small Business Journal (Thinking Bigger), organizations for recognitions in the MBE and Small Business recognition categories. Such nominations provide added visibility and exposure to the diverse suppliers, which in turn further expand their marketing and potential business opportunities.

Sprint is again partnering in 2014 with Rockhurst University (Kansas City, MO) by providing a subject matter expert advisor to an MBA Capstone project team, which is researching how to expand the outsourcing capabilities of the developing nation of Belize. The collaboration will be a “win” for Sprint, too, as we are in the early stages of developing a framework for “Impact Sourcing”, identifying portions of our non-customer-facing outsourced back office services in areas or to populations that are economically or socially disadvantaged, including the urban core of U.S. cities.

Supplier Diversity implemented an electronic Tier II program, specific to California diverse spend, whereby Sprint prime suppliers are requested to support Sprint's efforts with GO 156 by identifying, tracking and reporting diverse spend to Sprint on a quarterly basis. This type of request of our prime suppliers has resulted in further focus and education on California diverse spend, and an understanding of the importance of GO 156.

Sprint Supplier Diversity will continue to host, participate in and attend Buyer/Supplier forums. Sprint conducted Lunch and Learn sessions and one-on-one meetings, spotlighting diverse suppliers in various market segments, for introduction and networking opportunities with Sprint executives, Sourcing staff and major suppliers who may be able to procure the products/services provided by the diverse businesses. Sprint's involvement in such events leads to increased opportunities for diverse supplier participation in sourcing and sales opportunities.

Sprint Supplier Diversity partners closely with the Supply Chain Management Compliance and Reporting group, to further validate the consistency and accuracy of supplier data, used for reporting across the Sprint enterprise. As a result, Sprint Supplier Diversity data creditability enables us to continue relations with 20+ Business Unit Diversity Champions, providing guidance and feedback in performance results, highlighting areas of improvement, risks, opportunities and wins.

Sprint's Supplier Diversity and Supply Chain Management teams continue to interact weekly with employees making purchasing or business decisions. Their involvement in Supplier Diversity adds benefit by promoting the inclusion of diverse suppliers in bids and by including Supplier Diversity requirements within the contracts they create.

Sprint Supplier Diversity continues to partner with its major vendors, partners and OEMs, to educate and encourage their diverse supply base to pursue CPUC certification, noting the benefit to the diverse supplier solely at the Utilities' cost. This effort is a benefit to the diverse supply base currently being utilized by Sprint prime vendors by allowing the visibility of the CPUC certification. To date, Sprint has contacted over 90 of its prime vendors in this effort.

Supplier Diversity maintains California diverse supplier information in the supplier diversity portfolio which includes current certification(s), company information, and contact information, on current and potential Sprint suppliers. Sprint also maintains soft copies of e-mail communication and certification information from California diverse suppliers. This allows for proactive identification of suppliers and increased supplier recruitment, and improved internal and external means of communications. This also has

allowed Supplier Diversity the ability to ensure contract compliance amongst our suppliers under the Tier II Subcontracting Program.

The Supplier Diversity requirements of our suppliers include providing Sprint with strategic subcontracting plans and quarterly Tier II spending reports. Sprint enforces a mandatory requirement of “Diversity in Subcontracting” as one of its contract terms and conditions. The contractual language requires the prime contractors to spend a certain percentage of the total annual contract revenue earned from Sprint with diverse suppliers, create a value-added relationship with a diverse supplier or donate a portion of their revenue to support a diverse initiative such as scholarships or support a diverse organization. Sprint’s 2013 Tier II subcontracting spend with diverse suppliers totals \$11.75 billion.

Sprint’s Supplier Diversity goal is to continue efforts to be a World Class Program. In doing so, Sprint continues to measure processes against industry standards. To gain an understanding of additional ways to improve, the team continues to participate in training workshops with the CPUC and Joint Utilities as well as with the National Minority Supplier Development Council, Technology Industry Group and through other sources, on strengthening the Supplier Diversity Program.

Sprint continues to update tools to meet business requirements. Other improvements include:

- **ISM Membership:** Institute for Supply Management training sessions and meetings
- **Bloomberg:** business, financial and economic news
- **Emptoris** e-sourcing training to further enhance capturing spend information, track subcontracting dollars, and up to date spend analyzer data
- **CVM locator webinars:** training on diverse supplier data retrieval, vendor searches, and analysis
- **Customer portals:** training on Sprint’s customers’ reporting portals
- **The Supplier Clearinghouse:** data base used to search CPUC certified suppliers
- **Peoplesoft** search data, identify diverse suppliers that are paid directly by Sprint to further promote and increase spend
- **Equifax i-Net** vendor data searches and verifications
- **Zycus-** sourcing tool and database in identifying and tracking diverse suppliers

WMDVBE SUPPLIER VERIFICATION/CERTIFICATION

Suppliers wishing to participate in the Supplier Diversity Program must provide proof of certification. This is Sprint's way of guaranteeing the diverse spend reported is accurate and ensuring that the supplier is truly diverse. New Sprint suppliers must register at www.sprint.com/supplierregistration. Suppliers claiming diverse status must attach an authorized certification into Sprint's registration tool. Diverse Suppliers wishing to participate under General Order 156 must become certified with The Supplier Clearinghouse.

Sprint Supplier Diversity reviews supplier records on an ongoing basis to validate certification information. In addition, Supplier Diversity and Sprint's Reporting group are cohesively aligned to ensure accurate diverse status prior to releasing quarterly and other reports, internally and externally.

PUBLICATIONS AND ADVERTISING:

Sprint advertises corporate-wide in diverse publications, and create articles, that further support Sprint's efforts with diverse suppliers as follows:

- Minority Business Entrepreneur
- Diversity MBA Magazine
- How to Do Business with Sprint
- Kansas City Procurement Roundtable
- Institute of Supply Management forums
- Black EOE Journal
- Black Achievers Society, Kansas City
- Hispanic Business Magazine Diversity Elite 60
- Hispanic Network Magazine
- Professional Woman's Magazine
- United States Hispanic Chamber of Commerce
- DiversityNxt
- DiversityPlus
- Vetrepreneur
- Black Enterprise
- DiversityInc
- Chicago Business Opportunity Fair Brochure
- National Minority Supplier Development Council
- Mountain Plains Minority Business Development Council
- Women's Business Enterprise National Council
- Career Focus Magazine

- United States Asian American Chamber of Commerce
- Thinking Bigger (small business journal)
- CTIA- The Wireless Association
- Human Relations Department, Kansas City, MO

These advertisements helped disseminate program updates and information to promote the program.

CROSS FUNCTIONAL SOURCING TEAM:

SOURCING DIVISION

Sprint Supplier Diversity and Sourcing are cohesively aligned, both organizations under the Supply Chain Management (SCM) organization, to ensure sourcing activities are researched, negotiated and monitored for diverse participation and inclusion. SCM also works in partnership with the Business Units in ensuring diverse participation in the sourcing of products and services. The Supplier Diversity team reports to the Sourcing director within SCM to ensure that diverse suppliers are considered during every appropriate procurement opportunity. The Supplier Diversity team has access to The Supplier Clearinghouse database that allows research of CPUC certified suppliers in these opportunities. During the analysis phase of preparing a Request for Proposals (RFP), the Supplier Diversity team develops a list of diverse suppliers that are qualified to fulfill the service or contract under consideration. The team queries The Supplierclearinghouse.com database, along with other databases, to create a list of eligible diverse suppliers to include in the opportunity.

In a continued collaboration with the Supply Chain Management group, the Information Technology (IT) Business Unit Champion and Supplier Diversity successfully implemented a plan to increase the hardware and software sourcing with CPUC certified suppliers. In 2013, this resulted in \$172 million CPUC spend.

Sprint Supplier Diversity and the Sprint Contractor Solutions Group (which manages Sprint's staffing needs) partnered to ensure increased utilization of CPUC certified suppliers in the contingent labor and vendor managed labor services. In 2013, the Sprint Contractor Solutions group executed a contract with a California MBE, for independent contract engagement, valued at approximately \$6 million.

Building Buyer Networks: Sprint Supply Chain Management organization continually promotes diverse suppliers for opportunities both internal and external to Sprint. Diverse supplier introductions take place on a daily basis and include introductions to Sprint's major and prime vendors, for subcontracting opportunities, as in site development, marketing and advertising, facilities management, OEMs, and energy markets. In 2013, Sprint facilitated over 100 such introduction opportunities.

Sprint maintains its modified Supply Chain Management policy language to allow diverse suppliers to win business, even if they are slightly more expensive, if all other factors are equal. These efforts resulted in Sprint directly procuring more services/products from small and diverse suppliers. This policy resulted in 2013, Sprint Renewable Energy

Working Committee awarded REC contract with Greenlight Energy, a certified small woman-owned business. Sprint has 176,000 vintage 2014 National Green-E RECs, half of which are being supplied by a certified diverse supplier.

Supplier Diversity meets regularly with Sprint's business unit leadership and with executives of Sprint's major suppliers, to discuss supplier diversity and further garner support of Sprint's supplier diversity program.

Procurement Quarterly Tracking Efforts: In addition to a corporate goal, Sprint has established individual business unit supplier diversity goals, for each of Sprint's business units across the enterprise. The Supplier Diversity manager releases quarterly results to the SCM managers, major Business Unit executives, and Business Unit Diversity Champions in order to evaluate Sprint's existing purchases with large businesses that can be considered to be realigned with a diverse business upon contract termination. Additionally, opportunities to unbundle major projects to include diverse utilization are considered.

Supplier Diversity maintains the position of sourcing liaison and remains a cohesive part of the strategy to ensure a more inclusive sourcing process. The creation of the Diversity Champion role has resulted in an increase in the number of projects that includes diverse supplier evaluation. Sourcing and Supplier Diversity participation in Business Unit staff meetings has also increased through the creation of this role, leading to a better understanding of the sourcing needs of the corporation and enabling the department to evaluate increased spend with these suppliers. The most important result of the creation of the role is the department's access to sourcing opportunities and the inclusion of diverse suppliers in the bidding process. The result will continue to be evident in Sprint's ability to continue meeting GO 156 goals.

The Sprint Supplier Diversity team partners closely with the Compliance and Reporting team to ensure accurate diverse supplier status, flag CPUC suppliers, and share such suppliers with Sprint's business units in promoting further growth opportunities for CPUC suppliers.

2. EXTERNAL PROGRAM ACTIVITIES

a. MEETINGS, CONFERENCES AND TRADE FAIRS

In 2013, Sprint attended several trade fairs and conferences with the goal of developing and promoting its program, as well as recruiting targeted diverse, innovative suppliers for participation in its program. The following details Sprint's 2013 participation:

- | | |
|--|------------------|
| • Supplier Diversity Program Manager's conference | Chicago |
| • Northern Minority Supplier Development Conference | California |
| • CPUC Meetings | California |
| • Joint Utility Meetings | California |
| • United States American Asian Chamber of Commerce | Garden Grove, CA |
| • National Center for American Indian Enterprise Development | Las Vegas |
| • Women's Business Enterprise National Council (WBENC) | Minneapolis |
| • National US Hispanic Chamber of Commerce Convention | Chicago |
| • Mid-America Minority Supplier Development | Kansas City, MO |
| • Mid America MSDC Annual Golf Outing | Kansas |
| • CPUC Annual Supplier Diversity En Banc | California |
| • Business Matchmaking | California |
| • National Minority Supplier Development Council Trade Fair | San Antonio |
| • Chicago Minority Supplier Development Council Trade Fair | Chicago |
| • Elite SDVOB National Convention | San Diego |
| • Minority Enterprise Development Week | Kansas City, MO |
| • City of Kansas City, MO Government Contracting Forum | Kansas City, MO |
| • Kansas City Hispanic Chamber of Commerce Procurement 1:1 | Kansas City, MO |
| • Kansas City Asian Chamber of Commerce Award Dinner | Kansas City, MO |
| • Black Achiever's Golf Tournament | Wichita, KS |
| • TIG – Technology Industry Group Diversity Meeting | Santa Clara, CA |

b. MEMBERSHIPS

Supplier Diversity growth within Sprint cannot be obtained without the assistance of and participation in various organizations and associations whose mission is to develop minority, veteran and woman-owned organizations. In addition to corporate memberships with these organizations in 2013, Sprint staff served as follows:

Vice-President Procurement and Real Estate serves as: Co-Chairman, Mountain Plains Minority Supplier Development Council; WBENC Procurement Advisory Board; Executive Member Sprint Diversity and Inclusion Council; 2013 Sprint Executive Champion for United Way; Board Member of 100 Black Men of Greater Kansas City; Advisory Board Member for the International Association of Outsourcing Professionals (IAOP); Board Member for Kansas University, School of Supply Chain Management; Member of Kansas City Procurement Roundtable; Member of the Executive Leadership Board (ELC).

VP, Network Strategic Initiatives, serves as Board Member of Asian Chamber of Commerce of Kansas City.

Finance Director serves as a member on the Kansas City Hispanic Chamber of Commerce Procurement Board.

Supply Chain Sourcing Manager serves as board secretary of Operation Breakthrough; Co-chair ABWA (American Business Women's Association), Mo-Kan chapter; Co-chair of Central Exchange, Women's professional development and networking organization; ISM (Institute for Supply Management) editorial review board member; Rockhurst University – MBA Mentor; PREP KC volunteer member; IAOP (International Association of Outsourcing Professionals) committee member; CTIA Conflict Minerals Sub-committee member.

Supplier Diversity Manager serves as Board Member of National Minority Supplier Development Council; past two-term Chair of the Technology Industry Group (TIG); MAMBDC Procurement Advisory Council; US Hispanic Chamber Procurement Advisory Council; Advisory Member of California Utilities Diversity Council (CUDC); National Veteran-Owned Business Association (NaVOBA) Advisory Board; Active member of California Joint Utilities Committee; Think Bigger Advisory Board.

The organizations that Sprint participates in are listed below.

National Affiliations

- National Minority Supplier Development Council (NMSDC)
- Congressional Black Caucus Foundation
- Human Rights Campaign
- League of Latin American Citizens
- National Council of La Raza
- National Association for the Advancement of Colored People (NAACP)
- National Urban League
- National Eagle Leadership Institute
- National Association of Asian American
- National Hispanic Corporate Council Professionals
- U.S. Hispanic Chamber of Commerce
- National Association of Women Business Owners
- U.S. Pan Asian American Chamber of Commerce
- Women's Business Enterprise National Council (WBENC)
- California Disabled Veteran Business Enterprise
- National Veteran Owned Business Association
- 2013 National Disabled Veterans Winter Sports Clinic
- 2013 National Disabled Veterans Summer Sports Clinic
- 2013 VFW (Veterans of Foreign Wars) National Convention
- 2013 Sponsor of the Army Soldier Show
- 2013 Snofest
- MWR (Morale Welfare & Recreation)
- ARMP (Army Machine Program)

Regional Affiliations

- California Utilities Diversity Council
- California Disabled Veterans' Business Alliance
- Chicago Minority Business Development Council
- Colorado Minority Supplier Development Council
- Dallas/Fort Worth Minority Business Development Council
- Mountain Plains Minority Business Development Council (Colorado, Kansas, Oklahoma, Nebraska)
- Northern California Supplier Development Council
- Southern California Regional Purchasing Council

Local Affiliations

- Kansas City Procurement Round Table (KCPRT)
- Mountain Plains Minority Business Development Council

- Lees Summit, Missouri Chamber of Commerce
- Overland Park, Kansas Chamber of Commerce
- Asian American Chamber of Commerce of Kansas City (MO)
- Kansas City Hispanic Chamber of Commerce

c. 2013 AWARDS AND RECOGNITION

Sprint received the following awards/recognition in 2013 for its Inclusion and Diversity efforts:

- Recipient of the Secretary of Defense Employer Support Freedom Award – the highest recognition given by the U.S. government to employers for support of their employees who serve in the National Guard and Reserve.
- Recognized for nine years as a “Top 50 Military-Friendly Employer” by G.I. Jobs magazine.
- Named by CivilianJobs.com as one of the Most Valuable Employers for Military (2009, 2010, 2011, 2012, 2013, 2014).
- Ranked #2 by CareerBliss on its top 10 list of Best Companies to Work for Veterans and is one of the Top 10 Most Veteran Friendly Corporate Supplier diversity programs.
- Business Leadership Network (BLN) of Greater Kansas City named Sprint as the DisAbility Champion winner for 2013 at their annual event hosted by the BLN-GKC in October 2013. The luncheon event celebrates local employers who are DisAbility Champions - those who demonstrate outstanding achievements in employing individuals with disabilities.
- Disability Matters named Sprint Marketplace Winner for Innovative Accessibility Solutions at the Seventh Annual U.S. Disability Matters Awards Banquet and Conference, one of the most important Corporate Awards Conferences in the U.S., for delivering innovative accessibility solutions that empower people with disabilities. Sprint was recognized as the only winner in the 2013 Disability Matters Marketplace category, which recognizes excellence in marketing products and services that meet the needs of the disability community. This recognition stems from the company’s innovative Sprint Relay ID pack and four accessibility-themed Sprint ID packs, which were developed in collaboration with Apps4Android and the U.S. Department of Education.
- DiversityInc. named Sprint to their 2013 25 Noteworthy Companies list. The 25 Noteworthy Companies are comprised of those organizations that DiversityInc. feels are making significant diversity-management progress and have the potential to earn spots on the DiversityInc. Top 50 list in 2014.
- Diversity MBA Magazine named Sprint to the 50 Out Front for Diversity Leadership: Best Places for Diverse & Women Managers To Work ranking at #26.

Diversity MBA Magazine expanded its research evaluations in 2013 to include companies that implement intentional strategies based on accountability, succession planning, representation, workplace inclusion, recruitment and board diversity; that allows and encourage managers and women of diverse backgrounds to advance and develop into leadership roles. This recognition showcases Sprint's long-standing commitment to diversity as a corporate leader providing a great work environment with opportunities for leadership development for women and people of color.

- DiversityNXT named Sprint as "Corporation of the Year: at the Northern California Minority Supplier Conference.
- Hispanic Business Magazine named Sprint to the Top 50 Best Companies for Diversity Practices. Sprint ranked #48.
- Hispanic Network Magazine named Sprint as a "Best of the Best" company in the summer issue, on newsstands August 15, 2013.
- Human Rights Campaign (HRC) awarded Sprint a 100% rating on their 2014 Human Rights Campaign (HRC) Corporate Equality Index (CEI). In addition, Sprint has received a perfect 100% score for nine straight years. The HRC CEI report released each fall, provides an in-depth analysis and rating of large U.S. employers and their policies and practices pertinent to gay, lesbian, bisexual and transgender employees, consumers and investors. The HRC CEI is also a benchmarking tool for US businesses in the evolving field of LGBT equality in the workplace. The CEI report contains a breakdown of each business's rating in the appendices. Ratings for businesses with consumer products appear in HRC's annual "Buying Guide for Equality."
- Kansas Department of Commerce, Office of Minority & Women Business Development named Sprint Corporation of the Year, for its efforts in advancing supplier diversity initiatives.
- LATINA Style 50 named Sprint to their Honorable Mention list in 2013. LATINA Style 50 reports on the top 50 corporations for Latinas to work for in the United States is the most respected evaluation on corporate America's employment policies and practices as they pertain to Hispanic women, and the most utilized source of information for Latinas looking for a job.
- Orange County, CA named Sprint one of the "best places to work in Orange County, California" for the second consecutive year. The Orange County Business Journal named Sprint number 21 out of 34 companies that made the list in the large employer category.
- Upward SynERGy named Sprint #2 on the list for the 2013 Best Companies for Employee Resource Groups (ERGs) Awards
- U.S. Veterans Magazine named Sprint as a "Best of the Best" company in the summer issue, on newsstands August 15, 2013.
- The Women's Enterprise named Sprint among the 2013 WE USA 100 Corporations of the Year, recognizing Sprint's demonstrated commitment to growing and

developing women-owned enterprises and positively impacting the manner in which our world does business.

- The United States Hispanic Chamber of Commerce (USHCC) named Sprint as a member of the USHCC Million Dollar Club, for the fourth year. The USHCC Million Dollar Club recognizes corporations that are leaders in the supplier diversity and stand out for integrating Hispanic Business Enterprises (HBEs) into their strategic sourcing and procurement process.

Employee Awards

- Dan Hesse, CEO, received the 2013 Corporate Responsibility Lifetime Achievement Award from Corporate Responsibility Magazine and COMMIT!Forum. CR Magazine's Lifetime Achievement Award recognizes an individual whose risk-taking, vision and pioneering spirit have led to significant achievement in the field over the course of their career.
- Gene Agee, Vice President, Real Estate & Procurement, received Sprint's 2013 Diversity Leadership Award for his outstanding accomplishments in furthering Inclusion & Diversity efforts at Sprint. Gene is a recognized leader within the company and proud ambassador outside of Sprint in matters involving supplier diversity and inclusion and diversity.
- Suzanne Williams, Vice President – Finance, is one of 25 corporate executive and entrepreneurial people who received the Kansas City Business Journal's Women Who Mean Business Award. A panel of outside judges used a wide criterion to create their top-25 list, including love shown for their jobs, outstanding business accomplishments, growth plans for their companies, community work and working to improve business for women. It's only fitting for a leader who so strongly believes in Recognition gets recognized herself for this prestigious award.
- Joyce Christanio, Manager, Supplier Diversity, was inducted as a Kansas City Black Achiever (Business and Industry Leader); recognized by the Mid-America Minority Business Development Council as Minority Business Enterprise Coordinator of the Year; recognized by DiversityBusiness.com as one of 25 national Champions of Diversity; and awarded Sprint's prestigious Circle of Excellence recognition.
- Mary Lewis, Supply Chain Sourcing Manager, several nominations and an award for collaboration advancing corporate responsibility, supplier diversity and developing emerging talent: Supply Chain Pros to Know Award; ABWA's Woman of the Year Award; Kansas City Business Journal's Women Who Mean Business Award.
- Dave Goehler, Supply Chain Sourcing Manager, nominated for the Sprint Circle of Excellence Award for his efforts in supporting diverse supplier utilization within Sprint's Network site development sourcing.

d. PRESENTATIONS

As part of Sprint's outreach to suppliers, organizations, and associations, the Vice President of Procurement and Real Estate, Director of Sourcing, and the Supplier Diversity Manager participate in and, when requested, provide presentations at various events. Such events include the following:

- Minority Media and Telecommunications Council: Sprint Sourcing Director participated as panel speaker providing information designed to help diverse suppliers navigate in the telecom industry
- Sprint Sourcing and Supplier Diversity presented a "How to do Business with Sprint" workshop, incorporating expertise from supply chain management and a Sprint diverse vendor, at the Mid America Minority Business Development Council.
- Sprint Original Equipment Manufacturer (OEM) Sales Forums
- Technology Industry Group Panel
- National Minority Supplier Development Council - Forums
- Kansas City Small Business- Procurement Panel
- Local diversity council events

e. PRIME SUPPLIER PARTICIPATION PROGRAM (TIER II SUBCONTRACTING)

METHODS USED TO DEVELOP UTILIZATION REQUIREMENTS & EFFORTS TO PROVIDE SUBCONTRACTING OPPORTUNITIES TO DIVERSE BUSINESSES

Sprint continues to promote and introduce diverse suppliers to the Network Vision OEMs, Alcatel-Lucent, Ericsson, Samsung and Black & Veatch and others, diverse subcontracting opportunities, and in support of meeting their contractual diverse spend commitments to Sprint. Sprint continues to highlight CPUC diverse suppliers to OEMs for subcontracting opportunities not only in California but throughout the U.S.

Sprint monitors major subcontracting plans to ensure that subcontracting goals are achieved with small and diverse businesses, on behalf of Sprint's Network Vision project. Network Vision is Sprint's multi-year initiative to provide an enhanced network expansion.

Sprint Supplier Diversity has successfully aligned with Sales and continually partners with Sprint Sales to identify small and diverse businesses to participate as subcontractors in the execution of Sprint Sales proposals and in providing services to its customers. Sprint

Supplier Diversity maintains a portfolio specific to Sprint retailers, dealers and business partners that may be engaged in value-add reselling of Sprint services on a consumer and business scale.

f. DEVELOPMENT

Sprint will continue to lead efforts in developing diverse suppliers and in aggressively pursuing opportunities for diverse supplier participation, recognizing the economic importance of utilizing diverse suppliers in the communities where we work and live. Sprint development objectives include:

- Increase the amount of corporate expenditures with diverse and CPUC suppliers
 - Increase the quantity and quality of contracts with diverse and CPUC suppliers
 - Continue to forge new relationships and host introductions of diverse suppliers to key Sprint executives
 - Introduce diverse suppliers to Sprint's large suppliers for consideration of subcontracting opportunities
 - Enforce contract terms requiring large suppliers, with contracts in excess of \$650,000 to either provide a minimum of 5% annual contract value as subcontracting opportunity to diverse businesses or donate a percentage (1% above \$650,000 not to exceed \$25K) of annual contract value toward a diverse nonprofit organization, or create a value added reseller (VAR) relationship with a diverse business
 - Provide mentoring and relationship building to help suppliers navigate the process to become a qualified supplier
 - Continue to provide training programs to educate employees about the advantages of Supplier Diversity
 - Expanding awareness of the program to all major Sprint Business Units
 - Aggressively recruit suppliers who have the skill sets that can provide the best solution at the right price point
- In 2013, Sprint continued to educate our employees on the business benefits of utilizing diverse suppliers as a core component of our supplier chain strategy.
- Sprint continues to promote executive participation in national supplier diversity events and the development of diverse suppliers via our Supplier Diversity Mentoring Program.
- Sprint policy allows business units to spend slightly more to secure a diverse supplier if all other decision factors are equal.
- The Supplier Diversity team, VP and Director continue to assist suppliers in developing relationships within Sprint. Certified diverse suppliers may participate in Sprint's Supplier Diversity Program, which provides face-to-face meetings with key Sprint executives

managing the diverse supplier's area of expertise. In an effort to develop suppliers, Supplier Diversity supports suppliers in defining their major strengths and devises a methodology to integrate and align them with Sprint's requirements.

- Sprint continues to recognize and promote diverse suppliers that have performed exceptionally well, through national nominations. Sprint nominated several CPUC certified diverse suppliers to NMSDC Supplier of the year award, MAMSDC supplier of the year award, as well US Hispanic and Asian American Chamber of Commerce Supplier of the year awards which allows visibility to other national purchasing organizations.
- Sprint sponsored a CPUC certified supplier who was awarded status as a Corporate-Plus member with the National Minority Supplier Development Council (NMSDC) which allows the supplier's business to be promoted and considered on a national level for major projects.
- Sprint is sponsoring a local minority business enterprise (MBE) to attend the Advanced Management Education Program (AMEP) which is a remote 5-day management training attended by suppliers on a national level.

9.1.2 SUMMARY OF WMDVBE PURCHASES / CONTRACTS

Sprint Corporation is a national provider of telecommunications services, offering service in California and other states. Sprint operates an integrated national network that offers its customers a national wireless service platform. All procurement decisions are, therefore, made on a centralized basis at Sprint's national headquarters in Overland Park, Kansas; however, procurement decisions are not made on a state-by-state basis. Sprint believes focus on Supplier Diversity is important in all states. Total spending and subcontracting for the State of California has been identified for all suppliers that Sprint's records show are located or certified in California. However, we request the Commission keep in mind that, although Sprint may have procured products and services from California suppliers, this does not necessarily mean that the procurement was solely utilized in or for the benefit of Sprint operations in California. Likewise, merely because procurement occurred in other states does not necessarily mean that such procurement was not undertaken for the benefit of Sprint's operations in California. Sprint has reported such information as completely as its records and subcontracting reports currently permit.

9.1.3 ITEMIZATION OF WMDVBE and DIVERSITY INCLUSION PROGRAM EXPENSES

Sprint Corporation Calendar Year 2013	Expense Description	G.O.156 Sec 9.1.3
Promotional Merchandise	Marketing & Promotional Materials	\$ 5,000
Membership, Dues & Subscriptions	Membership Expense	\$ 100,520
Wages	Three Supplier Diversity employees, 1 contractor	\$ 328,191
Other Employee Expenses	Travel, Mileage	\$ 25,324
CPUC Clearinghouse	Sprint's share of overll allcost	\$ 63,829
Contribution	Publications, Television, Events	\$ 1,611,075
Grand Total		\$ 2,133,939

9.1.4 Description of Progress in Meeting or Exceeding Set Goals

Sprint has set nationwide, corporate Supplier Diversity goals. These goals were set from a corporate-wide perspective and encompass percentage goal for overall diverse spending, including the following categories:

- Minority Business Enterprise (MBE)
 - Asian
 - Black
 - Hispanic
 - Indian-subcontinent
 - Native American
- Service-disabled Veteran Owned
- Veteran-Owned
- Women-Owned (WBE)
- Small Business Enterprise (SBE)
- Small Disadvantaged Businesses
- HUBZone
- Section 8 (a)

The Supplier Diversity team utilizes various methods to reach goals. These include, but are not limited to developing corporate training and programs, recruiting, proactive action to include diverse suppliers in the RFP process with Sourcing and Sales. Additionally, discussion opportunities with Diversity Champions and senior management are on-going.

9.1.5 SUMMARY OF PRIME CONTRACTOR UTILIZATION OF WMDVBE SUBCONTRACTORS

Sprint places emphasis on extending the diversity efforts and outreach activities related to subcontracting utilizing Sprint's Tier II Program. Through the implementation of the program, the Supplier Diversity team works in conjunction with Sprint Legal to maintain current language for Supplier Diversity to be incorporated in prime contracts valued in excess of \$650,000. This language includes a percentage goal, subcontracting plan, and quarterly reports for the supplier to submit to Sprint. With the additional focus of the Sourcing Manager to ensure the language is included in contracts, the amount of Tier II spend increases. The Supplier Diversity team continues to contact prime suppliers to ensure their compliance with standard Supplier Diversity contractual language as well as their efforts for providing opportunities for diverse suppliers in their procurement activities.

As a result of Supplier Diversity partnering with Sprint Legal to develop template contract language that supports alternatives to subcontracting, Sprint's major suppliers subcontracting totaled \$ 11,775,204,468 in direct and indirect Tier II number with diverse suppliers.

Sprint Supplier Diversity implemented a quarterly on-line collection of certified CPUC spend from its prime vendors, totaling \$71,763,157.86 for 2013 in CPUC Tier II diverse spend subcontracting.

9.1.6 WMDVBE SUPPLIER COMPLAINTS

Sprint has a policy for resolving supplier complaints in addition to the requirements of General Order 156. In 2013 there were no formal CPUC complaints filed against Sprint.

9.1.7 Summary of Purchases/contracts for Products/services in Excluded Categories

The CPUC issued Decision 05-11-024 on November 13, 2005, in which it eliminated the use of exclusions in reporting diversity procurement results; however, for reporting consistency across the organization, Sprint has aligned this report with Sprint's annual government and other customer reports that excludes non-procurement activities such as lawsuits, garnishments, taxes, licenses and utilities. Sprint has not purposely used any procurement spend exclusions in providing this report.

9.1.8 DESCRIPTION OF EFFORTS TO RECRUIT WMDVBE SUPPLIERS

Sprint continues its commitment to recruiting and developing WMDVBE talent in traditional and non-traditional areas. Sprint continues to evaluate areas of opportunity within our Supply Chain Management and implement strategies to address these issues. The Supplier Diversity team continues to work with Sourcing Managers and staff, contract, key Business Unit Diversity Champions and the Sales team to identify procurement opportunities corporate-wide to align to potential or existing diverse suppliers.

Sprint's Supplier Diversity team continues to create avenues for WMDVBES to have access to key decision-makers within various business units. Through procurement briefings, networking receptions, and one-on-one meetings, WMDVBE suppliers have an opportunity to visit with Sprint leadership and Supply Chain Management staff to discuss the procurement process, as well as key sourcing opportunities for the coming year.

Sprint continues to search for qualified sources through attendance at trade fairs, use of the Public Utilities Commission, WBENC, SAM.Gov, NMSDC, and numerous local databases, referrals, service and product information, letters of recommendation, lunch and learn business networking sessions, as well as spotlight luncheons, featuring WMDVBES showcasing their offerings and capabilities.

Through strategic outreach and new reporting tools, Sprint's Supplier Diversity team is able to focus on diverse spending strategies with our largest prime suppliers and on forecasted spending to realign opportunities with diverse suppliers where possible.

9.1.9 JUSTIFICATION FOR CONTINUED EXISTENCE OF ANY “EXCLUDED CATEGORY”

Sprint has not included any procurement related exclusions in this report.

9.1.10 FUEL PROCUREMENT

Sprint operates a small Sales fleet of 317 vehicles in the state of CA. Sprint does not operate or use a centralized fueling station. Sprint vehicles are located across the state and fuel is purchased on an on-demand basis at local stations.

10.1.1 SHORT, MID, LONG-TERM GOALS

Sprint remains committed to utilizing established Supplier Diversity best practices in working to achieve WMDVBE goals. Sprint relies on the guidance contained in the California Public Utilities Commission General Order 156 to establish its Supplier Diversity Goals; Sprint remains committed to GO 156 by creating processes to support year-over-year increased results.

10.1.2 DESCRIPTION OF WMDVBE PROGRAM ACTIVITIES – INTERNAL AND EXTERNAL

Sprint will continue to monitor its performance of the Supplier Diversity Program. Sprint will continue to make improvements, generate additional diverse spending, capitalize on opportunities, and measure its performance against 2013. Sprint plans to implement the following strategies in support of improvement and of its diversity goals for 2014:

1. INTERNAL PROGRAM ACTIVITIES

- **EMPLOYEE EDUCATION**

Employee education is an ongoing effort for Sprint. It is important that its employees understand, not only the benefits of Supplier Diversity, but also the detriments of not having a program in place. Sprint offers web based diversity training that is available to employees. Sprint will continue to promote the presence of the program and encourage managers to require it of their staff.

Sprint will continue face to face meetings with business units (BU) to promote BU awareness of supplier diversity. Regularly published scorecards will be used to track goals and performance, and guide discussions for areas of opportunities, risks and improvements.

In correlation with its travel schedule, the Supplier Diversity team will continue to make presentations on diversity for Sprint Business Units. Regional employees participate in face-to-face and conference calls to ensure they gain the exposure to Supplier Diversity that is present at Sprint's headquarters.

- **WMDVBE SUPPLIER VERIFICATION/CERTIFICATION**

Sprint will continue efforts to review its supply base to identify California diverse suppliers and contact those suppliers requesting they apply for CPUC certification and educating them on the benefits of obtaining CPUC certification.

Sprint will continue to require certification of all diverse firms. Sprint has taken steps to update the current database of approved suppliers and monitors it closely. Sprint has procured the services of a major supplier, CVM, to research supplier databases and provide diversity information. This process provides most current supplier information that may have changed in status or whose entry into the procurement system pre-dates the Supplier Diversity Program. Sprint will continue its efforts to ensure all data is as accurate as possible. Sprint maintains CPUC and other diverse certifications on file in both hard copy and electronic form.

- **PUBLICATIONS**

The Supplier Diversity Program will continue to publish articles on the internal Sprint web site and via email. Quarterly and Annual Reports on Supplier Diversity will be provided to all employees as a guide to evaluate additional opportunities for diverse suppliers.

Procurement Reward Recognitions will continue to be published and shared with the entire organization, highlighting individuals who execute contracts with CPUC and diverse suppliers.

Sprint will continue to create new incentives and ways for employees to be able to contribute to the supplier diversity success of the company and publish articles on “How To”, training programs throughout the Sprint organization, reaching Sprint’s 40,000 employee base.

- **CROSS FUNCTIONAL SOURCING TEAM**

Sprint has increased the standardization of the sourcing process through Supply Chain Management Operations and Sourcing. The Supplier Diversity team will continue to remain cohesively aligned with these sourcing teams to pursue maximum opportunity for diverse suppliers.

Supplier Diversity will continue to remain cohesively aligned with the Sales organization to engage in and support M/W/DVBE initiatives in sales proposals and subcontracting opportunities, positively impacting the communities where we live and serve in California and throughout the U.S.

Supplier Diversity will continue to build on the Mentorship Program, with further cross-functional executive leadership participation and diverse suppliers from across the country, as well as with CPUC diverse suppliers.

Supplier Diversity will continue to meet with management of functional business groups to discuss upcoming activities. Supplier Diversity will continue to participate in sourcing reviews and staff meetings to gain maximum exposure. In addition, the Supplier Diversity vendor database will be added to the overall end-to-end supplier management tool for Sprint Supply Chain Management enhancing the visibility of diverse suppliers by adding them into mainstream sourcing processes.

Sprint will continue with the process of re-alignment of diverse suppliers with Sprint major Business Units based on the Business Unit's highest level of spend and opportunity.

- **EMPLOYEE RECOGNITION**

In 2013, Sprint launched the Supplier Diversity Procurement Reward Program. The program challenges and rewards buyers and sourcing managers to execute new or further increase contract awards with diverse suppliers, by finding creative ways in working with internal clients. Along with a monetary award, recognition is given to those who are selected in each quarter's drawing through the intranet and in formal staff meetings and gatherings.

In 2013, Sprint launched the Supplier Diversity Internal Tier II Program. This new program is developed to help Business Units meet or exceed their supplier diversity targets. Business Units can help meet diversity targets by identifying potential sourcing opportunities that a diverse supplier could participate in with a Sprint major supplier:

The Supplier Diversity group also works with local Councils to recognize employees at various Council programs. This recognition is for employees who go above and beyond their daily roles to include diversity into their purchasing plan.

Supplier Diversity recognizes Sprint associates, across the enterprise, for their champion efforts, through Sprint i-Recognize Certificates and Sprint Excellence Award programs, some of which are monetary awards while others may result in trips and other opportunities to better engage with Sprint executive staff.

2. EXTERNAL PROGRAM ACTIVITIES

a. MEETINGS, CONFERENCES AND TRADE FAIRS

Sprint will continue to be fully engaged with the CPUC and Joint Utilities Council, to ensure consistency and continued focus on goals, communication, and outreach efforts, alongside other utilities and under the direction of the CPUC guidance.

Sprint plans to actively continue to participate in several trade fairs and conferences with a goal of developing and promoting its program as well as recruiting diverse innovative suppliers for procurement opportunities.

b. PRESENTATIONS

Sprint will continue to support organizations by delivering presentations as requested.

c. PRIME SUPPLIER PARTICIPATION PROGRAM (TIER II)

Supplier Diversity will continue its enforcement of the Program and to monitor, track and report on Sprint's prime suppliers' performance and compliance.

d. ADVERTISING

Sprint's anticipated corporate-wide advertising plan for 2014 is as follows:

- Black EOE Journal
- Hispanic Business Magazine
- Hispanic Network Magazine
- Professional Woman's Magazine
- United States Hispanic Chamber of Commerce
- DiversityNxt
- DiversityPlus

- Vetreprenneur
- Black Enterprise
- DiversityInc
- Chicago Business Opportunity Fair Brochure
- National Minority Supplier Development Council
- Mid America Minority Business Development Council
- Women's Business Enterprise National Council
- Career Focus Magazine
- United States Asian American Chamber of Commerce
- Think Bigger (small business journal)

e. PUBLICATIONS

Sprint's Supplier Diversity team will continue to partner with Sprint Marketing to seek opportunities to publish articles in publications that highlight program initiatives.

f. DEVELOPMENT

Sprint will continue to assist diverse suppliers to achieve success within the company by providing mentoring opportunities, face to face meetings with Sprint executives and internal clients, and hosting procurement matchmakers with key Supply Chain individuals. The Supplier Diversity team strives to increase awareness between both the supplier and the employee.

Sprint teams with the Technology Industry Group (TIG), consisting of 40+ national companies, to analyze best practices in order to develop a world-class program.

Sprint will continue to work closely with diversity-related councils and associations to gather assistance in recruitment and education for Sprint as well as understand and support the needs of those organizations.

10.1.3 PLANS FOR RECRUITING WMDVBE SUPPLIERS WHERE WMDVBE UTILIZATION HAS BEEN LOW

Sprint will continue its commitment to recruiting and developing WMDVBE talent in traditional, non-traditional, and low utilization areas. Sprint will continue to evaluate low utilization areas in our Supply Chain Management and implement strategies to address these issues. The Supplier Diversity team will continue to work with Sourcing Managers and key Business Units to identify corporate-wide procurement opportunities and align them to potential or existing diverse suppliers in low utilization areas.

- Continue researching CPUC suppliers for Request for Proposal (RFP) opportunities
- Use a Spend Diagnostics tool, to deploy a number of strategic sourcing strategies around key categories which are shown to offer significant opportunity for California diverse suppliers
- Encourage and promote CPUC Value Added Reseller (VAR) opportunities with major Original Equipment Manufacturers (OEMs)
- Deploy an unbundle-buy approach to purchasing on very large aggregated projects where there is a reasonable opportunity to procure services from diverse suppliers
- Continuously monitor the supplier base to ensure CPUC suppliers used by Sprint maintain current certifications
- Mentor and coach existing CPUC suppliers to increase spend opportunities
- Interview existing and new CPUC suppliers to determine best fit to provide services
- Sponsor/participate in California trade fairs and conferences
- Research internal requirements in preparation of searching of CPUC suppliers at trade fairs
- Provide list of databases such as The Supplierclearinghouse, SAM, NSMDC, WBENC, and Dunn and Bradstreet to internal champions to support search of qualified CPUC suppliers
- Sprint's Supplier Diversity team continue coordinating onsite introductions of diverse suppliers to Sprint management and to Sprint's three major equipment suppliers, Alcatel-Lucent, Ericsson and Samsung, for subcontracting opportunities with Sprint's network modernization project, Network Vision (NV)
- Supplier Diversity initiated creation of a sales job aid to ensure Sales staff evaluate and incorporate, where possible, CPUC supplier participation throughout the proposal process
- Sprint's Supplier Diversity team with support of VP of Procurement and Real Estate sponsors introductions and site visits of diverse suppliers with Sprint executives to increase knowledge of the supply base and allow for mentoring opportunities
- Proactively teaming with the Sales & Distribution groups to identify diverse subcontracting opportunities to meet diversity spend goals embedded in Sales contracts

- Engaging Sourcing Managers and business unit staff to brainstorm inclusion of diverse suppliers into existing and future major projects and contracts
- Sprint modified its policy language to allow diverse suppliers to be awarded business, even when they are slightly more expensive, if all other factors are equal

10.1.4 PLANS FOR RECRUITING WMDVBE SUPPLIERS IN ANY “EXCLUDE CATEGORY”

Sprint targets diverse suppliers pursuant to available opportunities within Sprint business units or as contracts near end of term. Sprint has not proposed any “excluded” procurement spend categories in this report.

10.1.5 PLANS FOR PRIME CONTACTORS AND GRANTEES OF WMDVBE SUBCONTRACTING

Sprint plans to continue undertaking the following activities in 2014 to encourage prime suppliers to increase subcontracting opportunities for WMDVBES:

Sprint Supplier Diversity will continue to review areas of opportunity to unbundle portions for subcontracting purposes. Supplier Diversity will continue to work with the OEMs to identify such areas of opportunity for subcontracting within and outside of the OEMs. Sprint will continue to work with the three OEMs (Alcatel-Lucent, Ericsson and Samsung) for further opportunities to unbundle portions of the Network Vision project to target for diverse supplier subcontracting.

Sprint Supplier Diversity will work closely with the outsourced facilities management company, CB Richard Ellis, to find opportunities to unbundle portions of the retail store construction services for subcontracting opportunities for diverse suppliers.

Continue to target the top 50 key prime suppliers to encourage them to exceed their contract-specific subcontracting opportunities. Facilitate expanded outreach activities to prime suppliers and encourage them to complete the quarterly CPUC Tier II diverse spending reports. Purchasing more robust reporting tools will better position Sprint to gain access to lower-level data that will allow Sprint to have greater prime supplier participation in the Supplier Diversity Program.

Sprint has created contract-specific goals for suppliers to utilize diverse subcontractors which will remain part of contracts. Sprint has also expanded its second tier contract and RFQ language which requires suppliers receiving in excess of \$650,000 in revenues from Sprint to do business with WMDVBES. Sprint will continue to promote both Tier I and Tier II opportunities for WMDVBES.

Sprint will continue to expand the network of internal Supplier Diversity Advocates. These advocates will serve as communicators and messengers to our prime suppliers. Advocates will share the value of Supplier Diversity subcontracting utilization and its impact on the success of the Supplier Diversity Program.

Sprint will work closely with Sprint employees to encourage continued commitment, participation, and support of the corporate Supplier Diversity subcontracting program.

Sprint will continue to provide training to employees with a focus on assisting them to understand the impact of Supplier Diversity and the responsibility of prime suppliers doing business with Sprint to comply with Sprint's Diversity Utilization Requirements.

Sprint will assist prime suppliers in developing avenues to utilize WMDVBES as subcontractors.

Sprint will monitor prime suppliers' performance against contract goals and provide information and tools to improve performance.

Sprint will ensure that prime suppliers, who are consistent advocates of Supplier Diversity and are utilizing and developing WMDVBES, receive recognition for their efforts and commitment.

10.1.6 PLANS FOR COMPLYING WITH WMDVBE PROGRAM GUIDELINES

Sprint will continue to strive to meet the goals and guidelines as established in General Order 156.

Sprint will identify WMDVBEs who can meet Sprint's special purchasing needs as a high tech telecommunications provider. The Supplier Diversity staff and Strategic Sourcing teams will work with key business owners and units, participate in outreach events, and advertise in trade magazines and special interest group publications:

Sprint will continue to attend trade fairs and advertise in WMDVBE publications, and provide sponsorships of various outreach activities.

- Participate and fund capacity building programs
- Continue researching diverse suppliers for Request for Proposal (RFP) opportunities
- Use Spend diagnostics tool to deploy a number of strategic sourcing strategies around key categories which are shown to offer significant opportunity for diverse suppliers
- Encourage diverse Value Added Resellers (VARs) opportunities with major Original Equipment Manufacturers (OEMs)
- Deploy an unbundle-buy approach to purchasing on very large aggregated projects where there is a reasonable opportunity to procure services from diverse suppliers
- Continue to interview existing and new diverse suppliers to determine best fit and alignment
- Sponsor diverse business matchmaking-events and facilitate introductions throughout the Sprint organization
- Research internal requirements and opportunities in preparation of attending business opportunity fairs
- Continue to educate the Sales team through on-going training of supplier diversity through the sales job aid to ensure sales staff evaluate and incorporate diverse supplier participation throughout the proposal process
- Continue to raise awareness of supplier diversity through the Supplier Diversity Training course offered online to all Sprint employees
- Continue to advance the Sprint Mentorship Program and expand the base over time

Sprint will continue to encourage those non-CPUC certified diverse suppliers, currently doing business with Sprint, to complete the California certification process.

Sprint will continue to require its prime suppliers to utilize WMDVBEs and require that they provide us with a Prime Supplier Subcontracting plan and quarterly reports outlining their WMDVBE spending. Sprint will continue to evaluate prime supplier results quarterly and assist, if necessary, them in developing strategies to meet their goals.

Sprint will conduct a review of spending in the State of California with the goal of identifying opportunities for diverse suppliers and the Sprint BU responsible for the purchasing opportunity. Supplier Diversity will then work with these individuals to encourage increased competition with the identified commodities with diverse suppliers.

Sprint will provide support to Sprint's employee base with procurement responsibility by facilitating training on Supplier Diversity Program goals and procedures, encouraging them to use WMDVBEs and assisting them in locating those that meet their needs.

The Supplier Diversity department has Diversity Utilization Goals included in contracts that are signed with suppliers. The department enforces the contractual requirement ensuring increased participation in the supplier diversity initiative continues.

Attachment 1:
California WMDVBE Annual Procurement and Subcontracting Results by Ethnicity

Total State of California Procurement Subcontracting and Corporate WMDVBE Spend					
CPUC Certified Spend					
		Direct	Subcontracted	TOTAL	% of Sprint CA Spend
Minority Men	Asian Pacific American	\$ 78,586,221		\$ 78,586,221	6.0%
	African American	\$ 132,809,523		\$ 132,809,523	10.2%
	Hispanic American	\$ 126,451,116		\$ 126,451,116	9.7%
	Native American	\$ -		\$ -	0.0%
	Minority-Other	\$ -		\$ -	0.0%
	Total Minority Men	\$ 337,846,860	\$ -	\$ 337,846,860	25.9%
Minority Women	Asian Pacific American	\$ 50,850,766		\$ 50,850,766	3.9%
	African American	\$ 18,925,719		\$ 18,925,719	1.5%
	Hispanic American	\$ 6,358,866		\$ 6,358,866	0.5%
	Native American	\$ -		\$ -	0.0%
	Minority-Other	\$ -		\$ -	0.0%
	Total Minority Women	\$ 76,135,351	\$ -	\$ 76,135,351	5.8%
Minority Business Enterprise (MBE)		\$ 413,982,211	\$ 43,511,619	\$ 457,493,830	35.1%
Women Business Enterprise (WBE)		\$ 57,033,995	\$ 28,243,321	\$ 85,277,315	6.5%
Minority Woman Business Enterprise (MWBE)		\$ 471,016,206	\$ 71,754,939	\$ 542,771,145	41.6%
Service Disable Veteran Business Enterprise (DVBE)		\$ 3,537,520	\$ 8,219	\$ 3,545,739	0.3%
Total WMDVBE		\$ 474,553,726	\$ 71,763,158	\$ 546,316,884	41.9%
Total Procurement Spend (California)				\$1,304,600,361	

Attachment 2:
California WMDVBE Annual Results by Category

Sprint Corporation	G.O. 156 Section 9.1.2
2013 California WMDVBE Annual Results by SIC Category	

Total State of California Corporate Spend by Category																
SIC Code	SIC Description	Asian Pacific American		African American		Hispanic American		Native American		Other Minority		Total MBESpend	Total WBE Spend	Total MWBE Spend	Total SDVBE Spend	Total
		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female					
15	Building Constrctn - General Contractors & Operative Builders	\$0	\$0	\$0	\$0	\$0	\$5,520,380	\$0	\$0	\$0	\$0	\$5,520,380	\$0	\$5,520,380	\$0	\$5,520,380
16	Heavy Constrctn, Except Building Construction - Contractors	\$0	\$0	\$569,120	\$0	\$42,802,840	\$0	\$0	\$0	\$0	\$0	\$43,371,961	\$10,555,643	\$53,927,604	\$0	\$53,927,604
17	Construction - Special Trade Contractors	\$0	\$0	\$0	\$0	\$13,853,470	\$0	\$0	\$0	\$0	\$0	\$13,853,470	\$189,192	\$14,042,662	\$0	\$14,042,662
21	Tobacco Products	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$200,554	\$200,554	\$0	\$200,554
26	Paper and Allied Products	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$49,889	\$49,889	\$2,869,652	\$2,919,541
27	Printing, Publishing and Allied Industries	\$0	\$0	\$0	\$1,579,485	\$0	\$0	\$0	\$0	\$0	\$0	\$1,579,485	\$1,028,128	\$2,607,613	\$0	\$2,607,613
36	Electronic, Electrl Eqpmnt & Cmpnts, Except Computer Eqpmnt	\$3,412,031	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,412,031	\$8,024,957	\$11,436,987	\$0	\$11,436,987
38	Mesr/Anlyz/Cntrl Instrmnts; Photo/Med/Opt Gds; Watches/Clocks	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,017,013	\$1,017,013	\$0	\$1,017,013
47	Transportation Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$959,811	\$959,811	\$0	\$959,811
48	Communications	\$0	\$0	\$0	\$0	\$3,016,185	\$0	\$0	\$0	\$0	\$0	\$3,016,185	\$0	\$3,016,185	\$0	\$3,016,185
50	Wholesale Trade - Durable Goods	\$5,687,796	\$49,196,603	\$97,938,176	\$16,867,451	\$0	\$0	\$0	\$0	\$0	\$0	\$169,690,025	\$0	\$169,690,025	\$0	\$169,690,025
51	Wholesale Trade - Nondurable Goods	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,269,910	\$2,269,910	\$0	\$2,269,910
61	Nondepository Credit Institutions	\$0	\$0	\$8,511,306	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,511,306	\$0	\$8,511,306	\$0	\$8,511,306
65	Real Estate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$920,829	\$920,829	\$0	\$920,829
73	Business Services	\$19,692,551	\$0	\$4,657,869	\$478,783	\$63,525,814	\$139,744	\$0	\$0	\$0	\$0	\$88,494,752	\$21,635,148	\$110,129,900	\$0	\$110,129,900
75	Automotive Repair, Services and Parking	\$0	\$0	\$0	\$0	\$45,557	\$0	\$0	\$0	\$0	\$0	\$45,557	\$0	\$45,557	\$0	\$45,557
76	Miscellaneous Repair Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,288,945	\$1,288,945	\$0	\$1,288,945
81	Legal Services	\$0	\$0	\$186,533	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$186,533	\$0	\$186,533	\$0	\$186,533
87	Engineering, Accounting, Research, Management & Related Svcs	\$816,398	\$720,687	\$20,946,528	\$0	\$3,207,250	\$698,743	\$0	\$0	\$0	\$0	\$26,389,605	\$8,888,213	\$35,277,818	\$667,868	\$35,945,687
89	Services, Not Elsewhere Classified (WIRELESS RETAIL OF CELLULAR PHONES AND ACCESSORIES)	\$48,977,446	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$48,977,446	\$5,763	\$48,983,210	\$0	\$48,983,210
91	Executive, Legislative & General Government, Except Finance	\$0	\$933,476	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$933,476	\$0	\$933,476	\$0	\$933,476
TOTALS		\$78,586,221	\$50,850,766	\$132,809,523	\$18,925,719	\$126,451,116	\$6,358,866	\$0	\$0	\$0	\$0	\$413,982,211	\$57,833,995	\$471,816,206	\$3,537,520	\$474,553,726

Attachment 3: Greenlining Report

GREENLINING REPORT										
# MWDVBES	Data on Number of Vendors									
	Revenue Reported to CHS					Utility-Specific 2013 Summary				
	Minority-Men	Minority-Women	WBE	DVBE	Grand Total	Minority-Men	Minority-Women	WBE	DVBE	Grand Total
Under \$1 million	3	3	5	0	11	15	7	20	2	44
Under \$5 million	6	1	6	3	16	7	1	8	1	17
Under \$10 million	7	3	9	0	19	4	1	3	0	8
Above \$10 million	16	4	12	0	32	6	2	1	0	9
Total	32	11	32	3	78	32	11	32	3	78

MWDVBE \$M	Revenue Reported to CHS					Utility-Specific 2013 Summary				
	Minority-Men	Minority-Women	WBE	DVBE	Grand Total	Minority-Men	Minority-Women	WBE	DVBE	Grand Total
Under \$1 million	\$700,000	\$817,288	\$1,186,054	\$0	\$2,703,342	\$4,653,759	\$2,971,433	\$5,951,896	\$667,868	\$14,244,955
Under \$5 million	\$15,868,896	\$2,500,000	\$15,280,000	\$6,900,000	\$40,548,896	\$18,014,981	\$1,579,485	\$17,969,310	\$2,869,652	\$40,433,428
Under \$10 million	\$47,178,893	\$21,239,377	\$68,819,795	\$0	\$137,238,065	\$29,761,262	\$5,520,380	\$22,280,694	\$0	\$57,562,335
Above \$10 million	\$12,310,535,028	\$2,660,667,727	\$591,973,717	\$0	\$15,563,176,472	\$285,416,858	\$66,064,053	\$10,832,096	\$0	\$362,313,007
Total	\$12,374,282,817	\$2,685,224,392	\$677,259,566	\$6,900,000	\$15,743,666,775	\$337,846,860	\$76,135,351	\$57,033,995	\$3,537,520	\$474,553,726